



FACULTY OF
BUSINESS &
ECONOMICS

MELBOURNE INSTITUTE OF APPLIED
ECONOMIC AND SOCIAL RESEARCH



MELBOURNE INSTITUTE®
of Applied Economic and Social Research

ANNUAL REPORT 2009
AND OUTLOOK 2010

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DIRECTOR'S REPORT



Professor Mark Wooden, Professorial Research Fellow and Acting Director

2009 has been another eventful year for the Melbourne Institute, and one in which we faced and dealt with a range of different challenges.

We secured a new Director following the announcement early in 2009 that Professor Stephen Sedgwick would be resigning (which took effect from the end of July). This clearly had the potential to be a major distraction, but the Melbourne Institute emerged from the year with activity levels as high as ever (indeed total employment at year's end has never been higher), finances on a secure footing, and the order books for 2010 extremely full.

An especially noteworthy feature of the Melbourne Institute's activity profile during 2009 was the impressive number of quality conferences we convened. In addition to the regular forums held each quarter, four major conferences were organised during 2009, each of which involved a significant collaboration with an external partner.

Most notable was the Economic and Social Outlook Conference organised in collaboration with *The Australian* newspaper and held in November. This was the sixth in the series and again attracted a stellar line-up of speakers, including key Government and Opposition politicians (for example, Julia Gillard, Wayne Swan, Lindsay Tanner, Penny Wong, Jenny Macklin, Malcolm Turnbull, Tony Abbott, Joe Hockey and John Brumby), the Reserve Bank Governor, and many leading academics and representatives from industry and community organisations. The conference generated the usual intense media scrutiny in *The Australian* and was widely acclaimed as 'the best ever'.

Earlier in the year we took the lead role in the organisation of the Intellectual Property Research Institute of Australia (IPRIA) conference on commercialising inventions, in collaboration with the Australian Institute for Commercialisation. In June we organised a special one-off conference on tax and transfer policy on behalf of, and commissioned by, The Treasury as part of the Henry Review process. In July the Melbourne Institute held the fourth HILDA Survey Research Conference, with funding from the Department of Families, Housing, Community Services and Indigenous Affairs (FaHCSIA).

The academic credentials of the Melbourne Institute also continued to improve in 2009. This was reflected in:

- major grant successes, especially the awarding of a Future Fellowship by the Australian Research Council (ARC) to Professor Tony Scott (one of only three awarded in the Economics and Business fields);
- high profile appointments, and particularly those of Professor Ross Garnaut, a Vice-Chancellor's Fellow who is based in the Melbourne Institute, and Professor Deborah Cobb-Clark, who will take up the role as next Director starting in late April 2010; and
- a rising proportion of papers published by staff in A* and A ranked journals (based on the recently released rankings system by the ARC) — 59 per cent of all journal articles written by Melbourne Institute authors.

The core of our business, however, remains the contract research activity that is underpinned by long-term partnerships with government and industry. I am pleased to report that two of the most strategically important contracts to the Melbourne Institute were renewed in 2009. First, the Social Policy Research Services contract with the Department of Education, Employment and Workplace Relations was renewed for a further three years. This contract, which commenced in 2000 (but under the auspices of a different department), currently provides about \$700,000 per annum to support policy-relevant research in the broad area of employment, employment-related services and education. The Faculty of Business and Economics has also provided substantial additional funding to help support the time needed to convert this policy-relevant output into a form more suitable for academic audiences, something which this contract explicitly permits.

Second, our contract with Westpac, which involves the provision of a suite of macroeconomic indicators based on our quarterly household telephone survey, was extended for a further three years upon expiry of the current contract at the end of 2009.



The Gala Dinner at the Economic and Social Outlook Conference

Furthermore, IPRIA, which is managed out of the Melbourne Institute, was favourably reviewed during the year. As a result, the primary funding partner (IP Australia) has indicated that it will contribute \$500,000 per annum for another four years after the current agreement ceases (in mid-2010).

We also welcomed a new client and extended our range of macroeconomic indicator products with the launch of the *Global Proxy – Melbourne Institute Shareholder Confidence Index™*.

Returning to the theme of challenges, in terms of income, the largest contract on the books is the HILDA Survey project with FaHCSIA. The HILDA Survey is a panel survey and in an ideal world the methods employed by a panel survey would remain unchanged from one year to the next, which is more or less how HILDA proceeded over its first eight waves. In 2009, however, the HILDA Survey had to deal with two big changes: first, a change in data provider, with data collection responsibilities passing to Roy Morgan Research; and second, the implementation

of new technology (computer-assisted personal interviewing). Initial indications are that this dual transition has been managed extremely well, with the headline response rate rising to a new annual high of 96 per cent.

Another major challenge has been a shortage of senior leadership in our largest program area, the Labour Economics and Social Policy program, a shortfall that was compounded by the resignation during the year of Professor Kostas Mavromaras who had been the program head since late 2005. He, however, was capably succeeded by Associate Professor Guyonne Kalb, who is now well placed to lead this program going forward. She will be assisted in this role by the appointment of another Principal Research Fellow as well as other new senior appointments expected to be made in 2010.

In summary, the Melbourne Institute should feel proud of its achievements and continued success during 2009, especially given the uncertainty that was attached to the Director role. On a personal note,

I would like to thank all staff for their support, especially during the period since I assumed the role of Acting Director. Special thanks go to my colleagues in the Senior Management Group who have been so supportive. Finally, I would like to thank the Faculty of Business and Economics for the strong support it has provided the Melbourne Institute during this year of change.

Professor Mark Wooden
Acting Director

HIGHLIGHTS OF 2009

<p>1</p> <p>The Social Policy Research Services contract with the Department of Education, Employment and Workplace Relations was renewed for a further three years (at approximately \$700,000 per annum).</p>	<p>6</p> <p>Professor Tony Scott was one of 200 mid-career academics in Australia awarded a Future Fellowship by the Australian Research Council (ARC) — and the only recipient from our Faculty.</p>	<p>11</p> <p>Four major conferences were held during the year.</p>  <p>Mr Glenn Stevens, Governor of the Reserve Bank of Australia</p> <ul style="list-style-type: none"> • The sixth Economic and Social Outlook Conference was held in November. The two-day conference, co-hosted with <i>The Australian</i> newspaper, brought together over 350 delegates with the focus of discussion on recovery following the global financial crisis. • The fourth HILDA Survey Research Conference was held in July. The conference was opened by the Hon Bill Shorten and attended by over 200 people, including keynote speaker Professor Robert Moffitt (Johns Hopkins University and Editor-in-Chief of <i>The American Economic Review</i>). • A special one-off conference was held in June on behalf of, and commissioned by, The Treasury, on tax and transfer policy as part of the Henry Review process. Attendance was by invitation only (about 150 invitees) and included all members of the Henry Review and leading experts in the field from Australia and around the globe. • In collaboration with the Australian Institute for Commercialisation, a conference on commercialising inventions was held in February in two locations, Brisbane and Melbourne.
<p>2</p> <p>The Intellectual Property Research Institute of Australia (IPRIA), which is managed out of the Melbourne Institute under the leadership of Associate Professor Beth Webster, was reviewed. The report concluded very favourably and as a result IP Australia indicated its willingness to contribute \$500,000 per annum for another four years (starting mid-2010).</p>	<p>7</p> <p>Professor Tony Scott and Dr Jongsay Yong were chief investigators on a successful NHMRC Partnership for Better Health grant (\$750,000 over five years) — one of only 20 awarded across the country.</p>	
<p>3</p> <p>2009 saw the completion of the eighth wave of the Household, Income and Labour Dynamics in Australia (HILDA) Survey, with the annual response rate for the first time exceeding the 95 per cent mark.</p>	<p>8</p> <p>Professor Mark Wooden was the chief investigator on a successful ARC grant application examining longitudinal survey methods (\$345,000 over three years).</p>	
<p>4</p> <p>Administration of the second wave of MABEL (Medicine in Australia: Balancing Employment and Life) — the NHMRC-funded longitudinal survey of doctors — commenced in mid-2009.</p>	<p>9</p> <p>2009 saw a rise in the proportion of papers published in A* and A journals (as determined by the ARC journals rankings). Collectively these journals accounted for 59 per cent of our refereed article count in 2009.</p>	
<p>5</p> <p>March 2009 saw the launch of a new macroeconomic indicator — the quarterly <i>Global Proxy – Melbourne Institute Shareholder Confidence Index™</i>. It provides a summary balance measure of shareholders' confidence in the Australian share market.</p>	<p>10</p> <p>Professor Ross Garnaut was appointed Vice-Chancellor's Fellow and Professorial Research Fellow, The University of Melbourne, and based in the Melbourne Institute.</p>	

OUTLOOK FOR 2010

New Director

The biggest development for the Melbourne Institute in 2010 will be the commencement (from late April) of Professor Deborah Cobb-Clark as the next Director. Deborah has indicated that her immediate priorities will be (i) developing and implementing a new five-year strategic plan for the Melbourne Institute, and (ii) stewarding a planned expansion into the field of economics of education.



Professor Deborah Cobb-Clark, Director (commencing 27 April 2010)

Professor Deborah Cobb-Clark

Deborah Cobb-Clark comes to the Melbourne Institute with over 20 years of experience in academic research. Most recently a Professor within (and Head of) the economics program at the Research School of Social Sciences at the Australian National University, she has previously held positions at Illinois State University and the US Department of Labor. The focus of her research has been on the role of public policy in influencing labour market outcomes, something that is highly consistent with the Melbourne Institute's mission and the research interests of many current staff. Some of the areas of research interest for which she is especially known include immigration policy and its implications for migrant outcomes in the labour market, the impacts of income support on individuals' behaviour, and the role of gender in promotion and hiring processes.

New Hires

2010 will see a major focus on hiring, both to replace staff who have left, and to increase our capacity. Included among the latter is a new Principal Research Fellow position in the area of education economics and a general call for chairs in applied economics. Preference will be given to applicants from the fields of applied macroeconomics, international trade, public finance and taxation, energy/resource economics, and the economics of education.

Economics of Education

For some years the Melbourne Institute has had plans to initiate a new research program in the economics of education. In late 2007 such plans were given impetus when the National Centre for Vocational Education Research awarded us a three-year research contract to support research on the impact of participation in vocational education and training on labour market outcomes. In 2010 we are intent on significantly expanding our capacity in this area. This will be reflected in hiring a dedicated research leader for this program.

Real-Time Indicator of Economic Activity

The Melbourne Institute has a long history of research into the indicator approach to tracking economic activity — its two most well-known public indexes are the monthly Leading Index and the Coincident Index of Economic Activity (sponsored by Westpac). The onset of the global financial crisis drew sharp attention to the need for even more timely and accurate information about the state of the economy. In 2010, the Applied Macroeconomics team will focus on developing a real-time indicator of business activity. Unlike traditional indexes, the distinguishing feature of this indicator is that it will be updated as soon as new information comes to hand and thus it will show the unfolding of economic activity as it happens, in real time. If the global financial crisis has taught us anything, it is that it is necessary to quickly identify turning points in business cycles.

Hospital Quality and Performance

Issues of hospital quality and performance are frequently in the media, and major and fundamental reform of hospital funding is being proposed, yet it is surprising how little is understood about the determinants of performance. Improving the performance and productivity of hospitals will be a key outcome of our new NHMRC Partnerships for Better Health grant 'Measuring, Explaining and Assessing Hospital Performance'. Work on this grant starts in 2010 and has been funded for five years in partnership with the Victorian Department of Health. We will be working closely with its new data linkage unit to compile disparate existing administrative datasets into a single dataset that can be used to rigorously examine the determinants of hospital performance, quality and costs. The results will influence how hospital performance is monitored and measured, and how it can be improved given the trade-off between quality and cost.

Research into Longitudinal Survey Methods

For nearly a decade the Melbourne Institute has been home to Australia's largest and most significant household panel survey, the HILDA Survey. Over that time the reputation of the HILDA Survey has grown to the point where it is now widely equated with the world's other leading (but longer running) household panels. But one area where we have been behind world best practice is in supporting the research necessary to make HILDA a world leader in survey methods, rather than just a follower. In 2010 this is set to change. With funding from the Australian Research Council (ARC), staff in the HILDA team are embarking on a new research program on panel survey methods. It will examine issues such as the nature and correlates of panel attrition; the extent of panel conditioning and the circumstances under which it arises; measurement error arising from interviewer effects; the quality of imputed data and methods for improving the quality of imputation; and the effect of mode, and especially changes in mode, during the course of a panel.

Economics of Ageing and Retirement

The Melbourne Institute has slowly been increasing the capacity of its research program on retirement and ageing issues. In 2010, this has culminated in three major projects in this area which are underway, and are funded by various sources. The most recent project, 'Dynamics of Future Mature Age Workforce Participation', is funded under the 2010 research agenda of the Social Policy Research Services contract that the Melbourne Institute has with the Department of Education, Employment and Workplace Relations. The other two projects are funded by Discovery grants from the ARC. The project 'Understanding the Saving Behaviour of Australian Households: Private Retirement Provision and the Policy for Forced Saving' is in its final year and the project 'Effects on Labour Supply, Savings and Welfare of

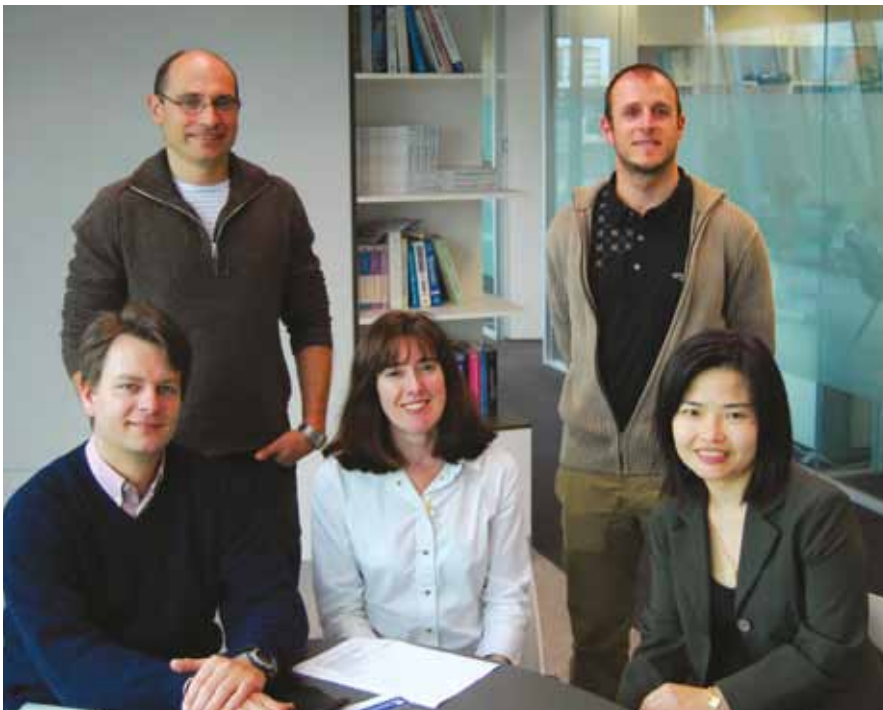
the 2007 Policy Change to Superannuation and Age Pensions' is in its second year.

In addition, in April 2010, the Melbourne Institute has planned a Public Economics Forum in Canberra and an Economics Forum in Melbourne on the topic of 'Retirement Savings', which will include a presentation based on the ARC project 'Understanding the Saving Behaviour of Australian Households'. In future years the Melbourne Institute intends to consolidate its contribution to research in this important policy area.

Melbourne Innovation and Creativity Institute

The University of Melbourne has created a number of interdisciplinary networks or 'institutes' across the university to act as umbrella groups to bring researchers who work in proximate fields, but are

institutionally distant, together. Associate Professor Beth Webster together with Associate Professor Su Baker from the Faculty of the VCA and Music have been spearheading a proposal to create a Melbourne Innovation and Creativity Institute under these auspices. The proposed mission of this institute will be to undertake interdisciplinary research and policy development that enhances the generation, use and appreciation of Australia's inventive outputs and creative cultures. It will include the faculties of Architecture, Art, Building and Planning, Business and Economics, Education, Engineering, VCA and Music, Law, and the Melbourne Business School.



Members of the Labour Economics and Social Policy research program who will be continuing work in education research

LABOUR ECONOMICS AND SOCIAL POLICY



Associate Professor Guyonne Kalb, Director of the Labour Economics and Social Policy research program

The Labour Economics and Social Policy (LESP) research program had a successful year in 2009.

The Social Policy Research Services (SPRS) contract with the Department of Education, Employment and Workplace Relations (DEEWR) entered its fifth year (following a previous four-year contract with the Department of Families, Housing, Community Services and Indigenous Affairs). 2009 was also the final year of this contract, but, as allowed for in the contract, DEEWR requested a three-year extension of the current arrangements with the Melbourne Institute (2010–2012) with the option of another possible extension of two years.

The National Vocational Education and Training Research and Evaluation contract with the National Centre for Vocational Education Research entered its second year. In addition, the LESP team continued to work on several ARC projects and one NHMRC project, plus a number of shorter term assignments.

In addition to the successful contract work, the LESP research program maintained a high level and quality of academic output in 2009. Members of LESP presented eight papers at national conferences and nine papers at international conferences. In 2009, 13 working papers were produced, 14 journal articles were published, several papers were accepted to appear in 2010, and staff contributed chapters to three books.

There were also a number of staffing developments in 2009. Most notably, Associate Professor Guyonne Kalb took over as the Director of the LESP

research program when Professor Kostas Mavromaras, who had been at the Melbourne Institute for four years, left to take up a position at Flinders University. An offer was also made to Dr Duncan McVicar, who is expected to take up an Associate Professor position in mid-2010.

Social Policy Research Services Contract

2009 was the ninth year of the research partnership with the Commonwealth Government, and the final year of the 2005–2009 SPRS contract. Recognising the success of the research partnership in developing leading Australian labour market and social policy research, DEEWR extended the SPRS contract for a further three years (2010–2012). A new element of the extended agreement is the provision for a small number of shorter, ad-hoc research assignments each year, to cater for the government's desire for timely research-based policy analysis of issues as they arise.

Four new SPRS projects started in 2009 and eight projects were completed. While labour market dynamics continued to be an important theme of the 2009 research agenda, the emphasis shifted somewhat to reflect the government's focus on social inclusion. Regular meetings of the Research Management Committee were held throughout the year in Canberra and Melbourne. Five new projects have been approved for the 2010 research agenda.

A fourth highly successful SPRS conference was held in Canberra, which again highlighted the excellent policy-relevant research being carried out under the SPRS contract. The theme of the 2009 workshop was social inclusion and disadvantage. The usual panel discussion in the final session of the workshop discussed the evaluation outcomes of active labour market programs. In addition to the Melbourne Institute presenters and two DEEWR presenters, three overseas guest speakers contributed with international perspectives on these issues.

Presentations were made at the SPRS workshop, and a number of publicly released papers from earlier years in the contract were also presented at national and international academic conferences.

Listed next is the status of SPRS projects that commenced or were in progress during 2009.

SPRS Projects Completed in 2009

1/08	The Employment Outcomes of Youth Entering the Labour Market
2/08	Wage Transitions of Apprentices
3/08	Location Economics of Income Support Recipients (extension of project 5/06)
4/08	Combining Income Support and Earnings
5/08	Mental Wellbeing of the Australian Working Population
6/08	Experiences of Income Support Recipients with a Mental Illness
7/08	Dynamics of Household Joblessness in Australia 2001–2007
4/09	Re-engagement in Education of Early School Leavers

SPRS Projects Started in 2009

1/09	Transitions of Income Support Recipients with Incapacity Exemptions
2/09	Impact of Education and Training on Income Support Recipients
3/09	Successful and Unsuccessful Pathways to Employment

National Vocational Education and Training Research and Evaluation Program

2009 was the second year of the National Vocational Education and Training Research and Evaluation (NVETRE) program, undertaken in collaboration with the National Centre for Vocational Education Research (NCVER). Three projects commenced in 2009 as planned. Two new projects are planned for 2010, which is the final year of this research program under the current contract.



The Labour Economics and Social Policy research program team

A Melbourne Institute Economics Forum and a Melbourne Institute Public Economics Forum on skills utilisation and related issues took place in February and March of 2009. These events were supported by the NCVET with Dr Tom Karmel from the NCVET presenting at the March Economics Forum. Papers from the NVETRE program were presented by Professor Kostas Mavromaras and Mr Cain Polidano at the annual NCVET 'No Frills' Conference in July at the University of Ballarat. Papers were also presented by Cain Polidano at the annual DEEWR SPRS workshop (mentioned above) and at the Annual Conference of Economists in September, held at the University of Adelaide.

Listed next is the status of NVETRE projects that started or were in progress during 2009.

NVETRE Projects Completed in 2009

2008-3	Labour Market Dynamics: The Role of VET ¹
2008-4	The Role of Education in Labour Market Outcomes of People with Disabilities

NVETRE Projects Started in 2009

2009-1	The Role of VET in Preventing the Scarring Effect of Youth Joblessness
2009-2	Measuring the Quality of VET Using the Student Outcomes Survey
2009-3	Combining VET and Employment in Youth Transitions

ARC/NHMRC Projects

The LESP research program again increased its involvement in ARC-funded research: one new Discovery grant project started in 2009, and good progress was made on the six other ongoing Discovery and Linkage projects, which produced a number of working papers and published articles. The LESP team is also continuing to contribute to a major NHMRC project together with the Health Economics program.

The LESP research program's substantial involvement in ARC and NHMRC projects is outlined below.

Ongoing ARC Discovery Grants

- 'Understanding the Saving Behaviour of Australian Households: Private Retirement Provision and the Policy of Forced Saving'
- 'The Effects of the Tax and Social Security System on Labour Supply and Social Welfare'

New ARC Discovery Grant

- 'Effects on Labour Supply, Savings and Welfare of the July 2007 Policy Changes to Superannuation and the Age Pension'

Ongoing ARC Linkage Grants

- 'Economic Modelling of the Nurses' Labour Market in Australia'
- 'Experimental Evaluation of YP4: Is "Joining Up" Services for Homeless and Jobless People a Net Benefit to Society?'
- 'Job Retention and Advancement of Disadvantaged Job-Seekers'
- 'Improving Employment Outcomes in Early Psychosis: Social and Economic Benefits of Early Intervention'

Ongoing NHMRC Grant

- 'Understanding the Dynamics of the Medical Workforce to Improve Population Health and Equity of Access: The Australian Longitudinal Survey of Doctors'

Smaller Projects and Consultancies

Estimates of Poverty and Social Exclusion in Australia

In this project the Melbourne Institute partnered with the Brotherhood of St Laurence to produce estimates of poverty and social exclusion for Australia. A multidimensional approach was used to examine both the extent and depth of exclusion at both a point in time, and in its persistence over time. Analysis of data from the Household, Income and Labour Dynamics in Australia Survey shows that, while approximately a third of Australians could be considered 'marginally excluded', 5-8 per cent could be considered 'deeply

¹ VET stands for Vocational Education and Training.

excluded'. The need for further research on the dynamics of exclusion was also identified.

Economic Evaluation of the Journey to Social Inclusion Program for Individuals Experiencing Chronic Homelessness

The Sacred Heart Mission commissioned the Melbourne Institute to carry out cost-benefit analyses of their J2SI program, which will involve an experiment with randomised treatment and control groups. The Melbourne Institute is responsible for setting up the randomised control trial, which involves the random assignment of homeless people to treatment and control groups. At this stage, the treatment assignment and questionnaire design have been completed.

MITTS Model: Training and Technical Assistance

As part of an ongoing consultancy with the Commonwealth Treasury, the Melbourne Institute provided continuing assistance and advice regarding the Melbourne Institute's microsimulation model in 2009.

Poverty Lines: Regional Updates

Quarterly, regional-level *Poverty Lines* were issued in 2009 according to the agreement with Westpac.

International Reform Monitor

Since 1999, the Melbourne Institute has been a partner organisation of the International Reform Monitor project, which is a network of representative organisations from 15 OECD countries. Initiated and coordinated by the Bertelsmann Foundation (Germany), the network monitors and produces publications on developments in labour market policy, industrial relations, and social policy in member countries.

External and Internal Collaborations

Internal Collaborations

Two internal collaborative projects with the Melbourne Institute Health Economics research program, on an NHMRC grant and an ARC Linkage grant, were continued during 2009. This involved continued development of the panel survey of medical doctors, *Medicine in Australia: Balancing Employment and Life (MABEL)*, a project funded by the NHMRC (more details are in the Health Economics section of this Annual Report). Based on these data, the first papers have been written and submitted to journals. The ARC Linkage grant produced a cross-sectional survey conducted amongst nurses. The resultant data became available in 2009 and we commenced to write papers on the labour market for nurses.

Collaboration with the Brotherhood of St Laurence

Collaborative work with the Brotherhood of St Laurence continued under the leadership of Dr Rosanna Scutella, the Ronald Henderson Research Fellow. A 2009 ARC Linkage project on 'Disadvantaged Job Seekers' involved Melbourne Institute researchers and distinguished researchers from overseas: Professor Paul Gregg (University of Bristol) and Dr Jonathan Wadsworth (London School of Economics). As noted in the section about smaller projects and consultancies, the Brotherhood of St Laurence also collaborated with the Melbourne Institute on a project on social exclusion and poverty.

International Collaborations

Collaborative work with researchers outside Australia continued on a number of projects.

Dr Tom Crossley (University of Cambridge and Institute of Fiscal Studies, UK) is involved in the ARC Discovery project grant on 'Understanding the Saving Behaviour of Australian Households: Private Retirement Provision and the Policy of Forced Saving'. Dr Crossley and Dr Sule Alan (University of Cambridge, UK) also collaborated with LESP staff to examine the effect of taxation on portfolio choice. Professor Paul Gregg (University of Bristol, UK) is involved in the ARC Linkage project on disadvantaged job seekers (previously described).

In other ongoing collaboration, LESP staff worked with Professor Jeremiah Hurley (McMaster University, Canada) on health human resource planning. In another project, staff worked with Associate Professor Sholeh Maani (University of Auckland, New Zealand) to analyse national exam grades at high school while controlling for early school leaving. Staff also worked with Mr Thor Thoresen (Statistics Norway) finalising a project that compares Australia and Norway with regard to labour supply and family-related government payments. Dr Justin van de Ven (National Institute of Economics and Social Research, UK) visited in 2009 and is involved in a new ARC Discovery project grant aimed at developing a life-cycle model of individual and household behaviour with regard to savings and labour supply. Professor Jan van Ours (Tilburg University, Netherlands, and part-time at the Department of Economics, The University of Melbourne) worked with LESP staff to investigate how a mandatory labour market program affects the unemployment dynamics of young workers.

A new collaborative project on the prevalence and persistence of jobless households was set up in 2009 with Dr Lucinda Platt (University of Essex, UK) who visited the Melbourne Institute.

THE HILDA SURVEY

Once again the HILDA Survey project had an eventful year in 2009.

In wave 9 we made two major changes to the way the HILDA Survey is administered in the field. First, we changed fieldwork provider — Roy Morgan Research is now responsible for the data collection and entry stages of the survey. Second, we changed the way the interviews were administered, switching from pen-and-pencil methods to a computer-assisted method. In addition, we held another (the fourth) highly successful research conference. Finally, we were successful in securing an ARC Discovery grant that will enable us to build a greater research capacity in longitudinal survey methods and to develop our linkages with household panel studies being undertaken elsewhere in the world.

Data Collection and Questionnaire Design

Data Release 7

In early February 2009 we publicly released the annual unit record data (release 7) covering the first seven HILDA waves. User interest in the unit record data remains strong, with 444 persons licensed to use release 7 — a new annual high.

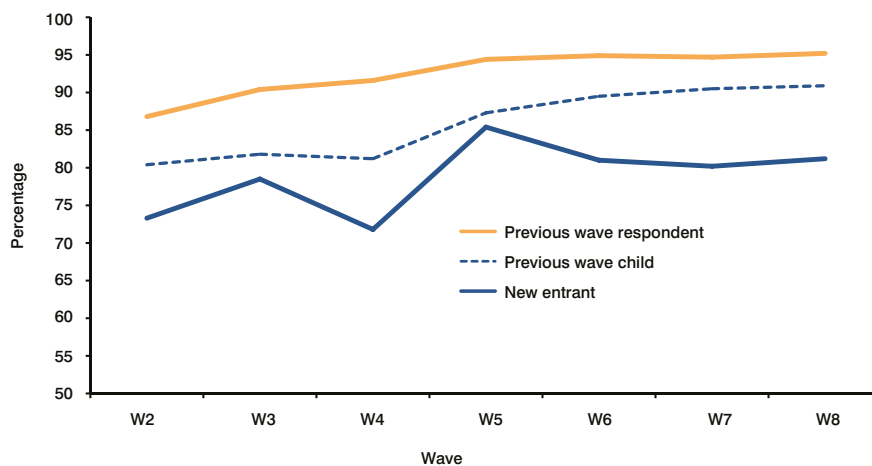
Wave 8/Data Release 8

Data collection for wave 8 was completed in February 2009 and a headline response rate of 95.2 per cent was obtained. This is the first time in the history of the HILDA Survey that we have exceeded 95 per cent, and it is a credit to the level of professionalism demonstrated by our fieldwork provider the Nielsen Company, whose involvement in the study ceased with the completion of wave 8 data collection.



HILDA Survey publications

Hilda Survey Response Rates Remain High



Wave 9

In August 2009 the content for wave 9 was finalised, and fieldwork commenced. The key feature of wave 9 was the inclusion of a new module enhancing the information being collected on respondent health and the use of health services. The topics covered by this module included health expectations; difficulties caused by health conditions/disabilities (previously included in wave 4); serious illness conditions; retrospective childhood health; private health insurance (previously included in wave 4); utilisation of health services; diet (previously included in wave 7); and health and use of health services by children in the household. Our expectation is that this module will be repeated every four years.

Preliminary HILDA Survey data indicate that we are again likely to achieve a response rate in excess of 95 per cent.

Wave 10

Development work also commenced during 2009 on wave 10 questionnaires. Wave 10 will include a repeat of the wealth module, previously included in waves 2 and 6.

Research Conference

Our biennial research conference was held at the University of Melbourne on 16–17 July 2009. Just over 200 people registered and the conference was opened by the Hon Bill Shorten. Keynote speakers were (i) Professor Robert Moffitt, Krieger-Eisenhower Professor of Economics, Department of Economics, Johns Hopkins University (and Editor-in-Chief, *The American Economic Review*); and (ii) Professor Steve Pudney, Director, ESRC Research Centre on Micro-social Change, Institute for Social and Economic Research, University of Essex.

Once again we received positive feedback about the way the conference was organised and on the high quality of the papers presented. The conference papers are available on the Melbourne Institute's website.

ARC Research Grant

We were successful in our submission for funding under the ARC Discovery program. The project, led by Professor Mark Wooden, in collaboration with Professor Peter Lynn (University of Essex) and Professor Joachim Frick (German Institute for Economic Research) is entitled 'Assessing and Enhancing the Quality of Longitudinal Survey Data'. The amount awarded totals \$345,000 over three years (2010 to 2012). The grant will be used to help establish a cross-national program of research to improve the use, and potential usefulness, of longitudinal survey data.

Annual Statistical Report

2009 also saw the publication of our fourth annual statistical report, *Families, Incomes and Jobs*. Released in June, the report attracted significant media attention, especially the contributions on changes in household wealth, incomes in retirement, long work hours, and time spent travelling to work.

Data Users

The number of HILDA Survey data users continued to grow in 2009. The total number of orders for release 7 data was our highest annual release on record (448) and the cumulative number of users now totals 1239.

Even more impressive was the continuing growth in the body of research work that

relies on evidence contained in the HILDA Survey data. The bibliography (available on the HILDA Survey website) identifies 42 academic journal articles published during 2009. Collectively this takes the journal article count over the life of the HILDA Survey to 197.

The Use of HILDA Survey Data (number of licensed users)

Release	Total data orders	Orders by new users	Cumulative number of users
Release 1 (wave 1)	204	204	204
Release 2 (waves 1 and 2)	265	167	371
Release 3 (waves 1 to 3)	280	154	525
Release 4 (waves 1 to 4)	329	170	695
Release 5 (waves 1 to 5)	387	175	870
Release 6 (waves 1 to 6)	401	175	1045
Release 7 (waves 1 to 7)	448	194	1239



The HILDA Survey team

APPLIED MACROECONOMICS



Professor Guay Lim, Director of the Applied Macroeconomics research program

Applied Macroeconomics Research

Forecasting the Australian Economy

The biggest challenge faced by the Applied Macroeconomics research program in 2009 was to forecast the state of the Australian economy. As GDP growth and trade across the world fell, we were confronted with the daunting task of forecasting what lies ahead for Australia. Our task was made more difficult by the lack of up to date official information about economic activity. So we turned to the Melbourne Institute's suite of monthly reports based on surveys of consumer attitudes, sentiments and expectations to assess how households were affected and, more importantly, whether they were still employed and buying goods. These

monthly surveys contained vital information about the pulse of the nation.

Reports on the State of the Australian Economy

- Westpac – Melbourne Institute Indexes of Economic Activity
- Westpac – Melbourne Institute Survey of Consumer Sentiment (Australia, NSW, Victoria, Queensland, Western Australia, South Australia)
- Westpac – Melbourne Institute Survey of Consumer Unemployment Expectations
- Melbourne Institute Employment Report
- Melbourne Institute Wages Report
- TD Securities – Melbourne Institute Monthly Inflation Gauge
- Melbourne Institute Survey of Consumer Inflationary Expectations
- Melbourne Institute Household Saving and Investment Report
- Westpac – Melbourne Institute Credit Market Survey

Melbourne Institute Monthly Bulletin of Economic Trends

Our forecasts are updated monthly and presented in the *Melbourne Institute Monthly Bulletin of Economic Trends*. The forecasts are generated by models which utilise frontier econometric techniques in conjunction with the information contained in the above reports on the state of the Australian economy. The chart below shows how, around the middle of 2009, our analysis predicted that Australia would

escape a recession at a time when many other economic analysts were forecasting negative GDP growth below 1 per cent. Our assessment of the economy, and why it escaped a recession, is published in the March 2009 issue of the *Australian Economic Review*.

New Forecasting Models

The Applied Macroeconomics research program also responded to the challenge of providing more accurate forecasts by developing new tools. Two particular developments are worth highlighting.

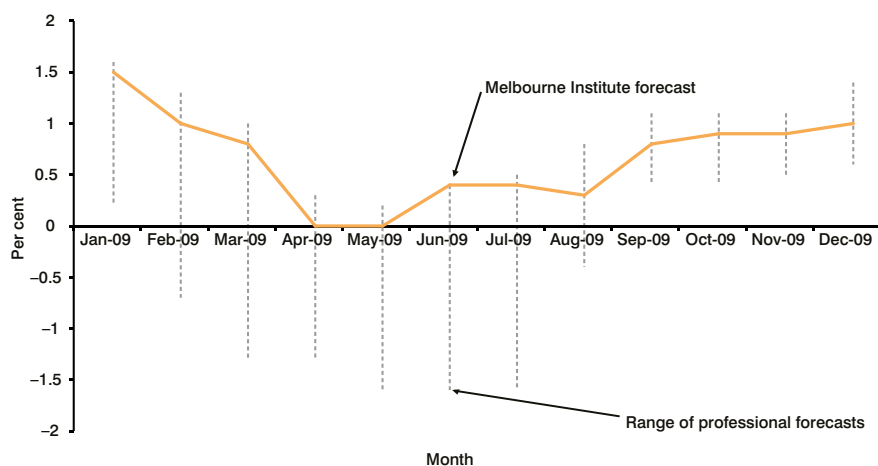
- To improve the forecasting of the unemployment rate, we developed a model that exploits the time-series properties of the unemployment rate while satisfying the economic relationships specified by Okun's law and the Phillips curve.
- To improve the prediction of economic contractions and expansions, we developed an econometric forecasting model which utilises the distribution of professional forecasts.

Finance and the Macroeconomy

The global financial crisis also drew attention to the role of banks, and the nature of financial integration and contagion. The projects completed in this area include the following.

- The first project is concerned with the transmission of policy interest rate changes to bank rates, specifically deposit and loan rates. How quickly and by how much do banks respond to changes in official rates? This project is supported by a Melbourne Financial Centre Academic Research Grant.
- The second project explores asset price feedback, momentum and overreaction and the manner in which these effects are distributed across pricing factors.
- The third project investigates stock market integration among 10 economies in the Asia Pacific region and whether membership in a formal economic organisation affects the degree of integration.
- The fourth project explores models of contagion and spillovers allowing for asset-specific shocks that can be directly transmitted from one asset to another, as well as indirectly transmitted across uncorrelated assets through some intermediary mechanism.

Forecasts of GDP Growth in 2009 and How It Changed Month by Month





Dr Michael Chua



Dr Edda Claus



Dr Sarantis Tsiaplias

New Report on the State of the Australian economy

The Global Proxy – Melbourne Institute Shareholder Confidence Index™ is produced quarterly and is based on a survey of individual shareholders. The number of individual Australians owning shares has sharply increased over the last 10 years and is estimated to be approximately 7.3 million adults representing 46 per cent of the Australian population aged 18 years and over. This makes our population a world leader in personal share investment. But, despite this widespread share ownership, the collective views of Australian retail shareholders have had very little representation until fairly recently and they have been perceived by many sections of the market to be less important than institutional and professional investors.

The aim of the Global Proxy – Melbourne Institute Shareholder Confidence Index™ is to fill this gap. It is a summary balance measure of shareholders' confidence in

the Australian share market. The Index is designed for easy interpretation — a value below 100 is suggestive of 'bearish' sentiment while a value above 100 is suggestive of 'bullish' sentiment. The report also contains the buying intentions of shareholders in the coming months. For example, the chart below shows that, between August and November 2009, the percentage of respondents saying they will buy shares fell across all types of industries.

Academic Research

Publications

Members of the Applied Macroeconomics research program continue to engage in academic research. For 2009, our research was published (or will shortly be published) in the following journals: *Australian Economic Papers*, *Journal of Forecasting*, *Australian Economic Review* (two papers), *Economic Record* and *International Journal of Forecasting*.

PhD Training

The Applied Macroeconomics research program has three PhD students: two are co-supervised with staff in the Department of Economics at the University of Melbourne, while the third is a full-time postgraduate student in the Melbourne Institute.



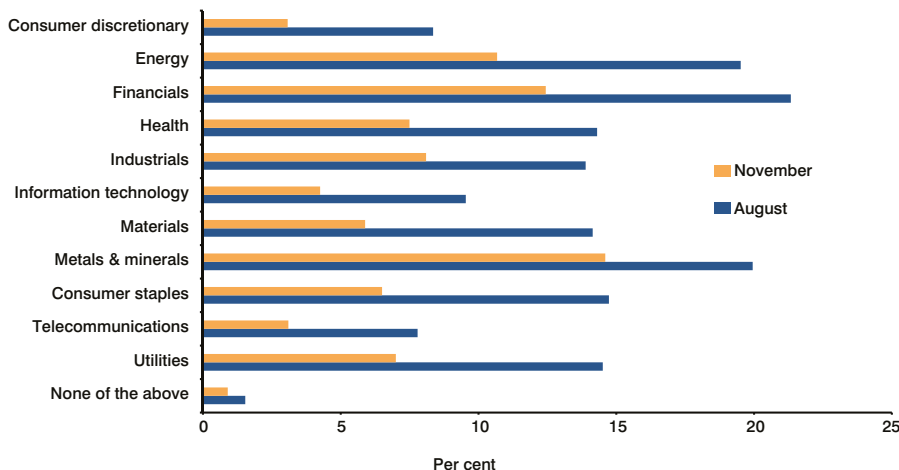
Ms Sui Lay Tan, PhD student

Australian Research Council Grants

We are also working on the following three ARC-supported projects:

- 'State and Territory Economic Performance and National Economic Policy'
- 'Consumption, Housing Wealth and Financial Wealth in the Long Run'
- 'Forecasting with Single Source State Space Models'

Shareholders' Buying Intentions (August and November 2009)



HEALTH ECONOMICS



Professor Anthony Scott, Director of the Health Economics research program

The Health Economics research program was formally established at the beginning of 2008, after building significant momentum since 2005. Its aim is to conduct high-quality and policy-relevant research across a number of areas of applied health economics. The program is based in the Melbourne Institute and employed six researchers in 2009 and one PhD student. The program has 19 other 'members' from across the University of Melbourne, including the Department of Economics, School of Population Health, and the Department of General Practice. The program also includes other economists conducting academic research in health and health care.

Research is funded from competitive external grants from the ARC, NHMRC, State and Commonwealth governments, and other sources. Since 2005, staff in the program at the Melbourne Institute have been involved in grants worth \$9.8 million, which include \$5.3 million as chief investigator. Members have a strong international record of health economics research in the following areas:

- health care workforce and health professionals' labour markets;
- health insurance and health care finance;
- performance, incentives and competition in health care;
- the economics of primary health care services;
- social and economic determinants of health; and
- the economics of substance use and abuse.

These are under-researched areas of work within Australia and internationally, as well as being highly policy relevant. The methods used in these areas include the interrogation of large datasets using econometric techniques, through to the collection of data using specially designed surveys and experiments.

We continue to meet regularly with policy makers at various levels of government, informing them of our research findings and activities, with a view to building long-term partnerships. These include the Department of Health (Victoria), the National Health Workforce Taskforce, and a number of sections in the Commonwealth Department of Health and Ageing.

Research

Publications

In 2009, papers were published in *Health Economics* (two papers), *British Medical Journal*, *International Journal of Health Care Finance and Economics*, and the *European Journal of Health Economics*, with acceptances in the *Journal of Applied Econometrics*, and *Health Economics* (two papers). Work was also presented at a number of domestic and international peer-reviewed conferences.

Workshops and Visitors

Professor Michael Grossman (NBER and CUNY) and Professor Hugh Gravelle (University of York) spoke at the second annual Health Economics workshop which was held at the Melbourne Institute in February 2009. Professor Grossman, who has written some seminal papers in health economics, spoke about the impact of parental education on child health, while Professor Gravelle examined gender discrimination amongst English General Practitioners. Research from the Health Economics program was also presented by Dr Stefanie Schurer and Mr Terence Cheng from the Melbourne Institute, and Dr Manish Shah and Associate Professor Mike Shields from the Department of Economics.

Other visitors and seminar speakers included Associate Professor Elizabeth Savage (University of Technology Sydney), Professor Peter Zweifel (University of Zurich), and Professor Pravin Trivedi (Indiana University).

Projects in 2009

MABEL

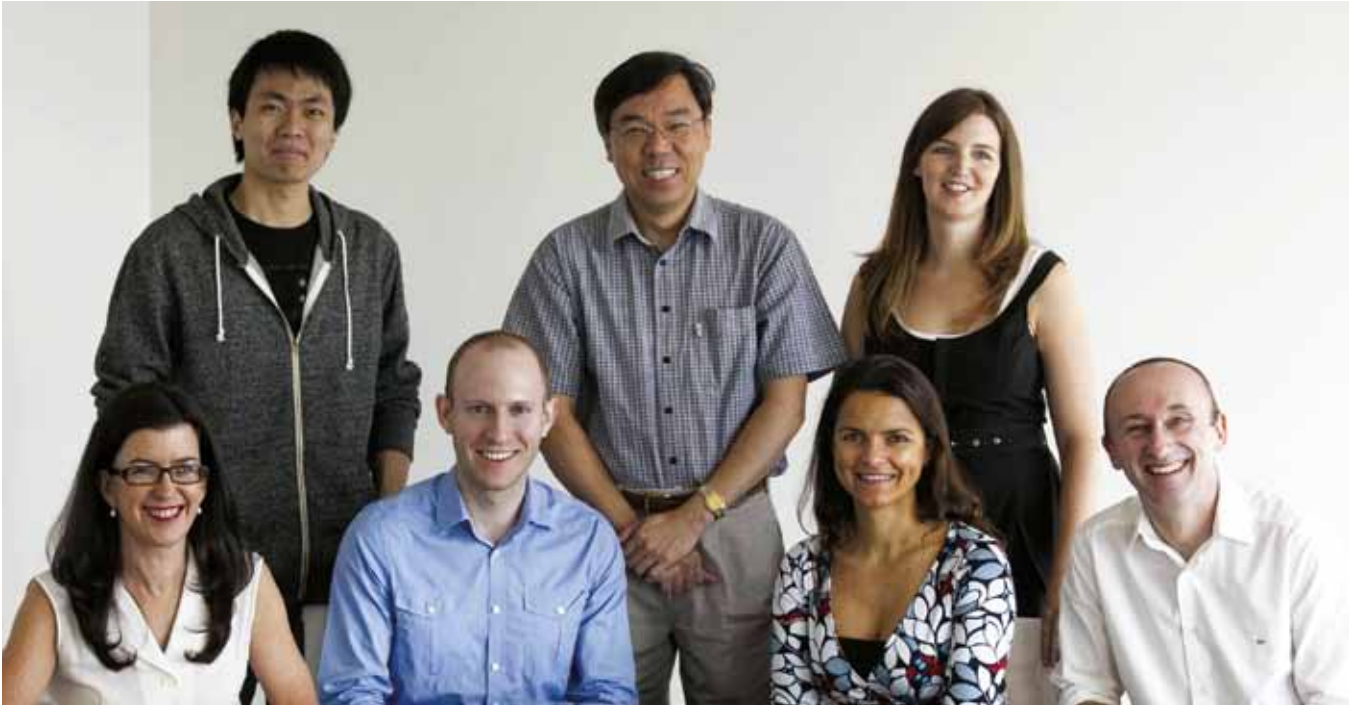
The second wave of the NHMRC-funded longitudinal survey of doctors (Medicine in Australia: Balancing Employment and Life) was administered in the middle of 2009, with over 14,000 doctors invited to participate, including 10,498 who had previously responded in wave 1 (conducted in 2008) plus a top-up sample of additional doctors. The response rate in 2009 was almost 80 per cent for the repeat sample of doctors and around 35 per cent for the additional doctors. A number of papers were initiated for submission to journals, and five MABEL newsletters were produced. We also now have three PhD students working on MABEL: two located at Monash University and one at the Melbourne Institute. A list of all publications and presentations are provided on our website <www.mabel.org.au>.

Incentives and the Quality of Primary Health Care in Australia

This study was a narrative and Cochrane systematic review of the effect of financial incentives on the quality of primary care, funded by the Australian Primary Health Care Research Institute. It was conducted in collaboration with colleagues in the Department of General Practice. The study identified a broad consensus that financial incentives to improve quality of primary care should be introduced in Australia. Although there has been little rigorous evidence from other countries, a carefully designed incentive scheme that builds on the current context and uses lessons from other countries has strong potential to re-orient the system towards quality of care and health outcomes.

Obesity Prevention among Low Income Families: Economic and Strategic Modelling

This project, started in 2009, will examine the determinants of healthy food choices amongst low socio-economic groups. The research, funded from an ARC Linkage grant with VicHealth (our Linkage partner), is being led by Dr Catherine Burns at Deakin University. The other chief investigators are Professor Kostas Mavromaras, Professor Tony Scott, Ms Lisa Gold and Dr Mark Lawrence.



The Health Economics research program team (absent, Mr Terence Cheng)

Social and Health Inequalities Related to Changes in Drinking Water in Rural Victoria

A second ARC Linkage grant project, also started in 2009, is led by Dr Andrea Sanigorski in the School of Population Health, with Dental Health Victoria as the Linkage partner. This project examines the role of fluoridation of the water supply in relation to drink choices, obesity and dental health.

Improving the Working Lives of Nurses

This survey of nurses investigates factors influencing nurses' labour supply. It is funded by an ARC Linkage grant with the Victorian Department of Health, and the survey was administered in late 2008. The data were analysed during 2009 and papers are under preparation.

Projects for the National Health Workforce Planning and Research Collaboration

Two projects were conducted in 2009 under a collaborative partnership between the Australian Health Workforce Institute and PricewaterhouseCoopers, and

funded by the National Health Workforce Taskforce. The first project included a review of the national health workforce planning tool, and the second was a review of workload measures for allied health professionals.

New Grants Awarded in 2009

The highlight of 2009 was the award of two prestigious Fellowships to Professor Tony Scott. He was awarded an ARC Future Fellowship to commence in 2010, and also an Honorary NHMRC Principal Research Fellowship, with one year of funding commencing at the end of the ARC Fellowship in 2013.

The Melbourne Institute was also awarded a \$1 million NHMRC Partnership grant with the Victorian Department of Health as our partner, funded for five years. The project will examine the determinants of hospital efficiency and quality, and it develops earlier research previously funded under an ARC Linkage grant.

INDUSTRIAL ECONOMICS



Associate Professor Beth Webster, Director of the Industrial Economics research program

Major Projects

The ARC Linkage grant project 'Markets 4 Technology' began in 2009 and involves a major exercise to scope the population of technology brokers in Australia. Following a series of semi-structured interviews, the Industrial Economics program will be surveying all known people who act as an intermediary between inventors and the parties who commercialise their inventions. This may include government advice services, venture capitalists, patent attorneys, and in-house business and commercialisation managers. Partner organisations in this project are IP Australia, the Australian Institute for Commercialisation, and Watermark Patent and Trademark Attorneys.

The performance of the patent system continues to be a major focus for the Industrial Economics program, and in 2009 three new papers were completed arising from the 2007 Australian inventor survey. These papers analysed the effects of patents on commercialisation, the size of the patent premium, and the effects of the macroeconomy on commercialisation activities. In addition, during 2009, we completed several papers on the effect of R&D taxation concessions on R&D activity. Work continues on the comparative analysis of Australian inventors and the effects on inventor productivity of star inventors and inventor networks.

Collaborative projects with researchers from the Health Economics program continued in 2009 on the analyses of links between hospital market competition, quality and efficiency, and between private health insurance, hospital utilisation and health outcomes.

Regular Reports

Three regular reports were completed during 2009. These comprised the *IBM® – Melbourne Institute Innovation Index of Australian Industry*, the *R&D and Intellectual Property Scoreboard*, and the *PricewaterhouseCoopers Melbourne Institute Asialink Index*.

IBM® – Melbourne Institute Innovation Index of Australian Industry

In 2009, the third annual report card on the state of innovative activity in Australia was produced. The report, funded by IBM Australia, tracks patterns in the rate of Australia's innovative activity by using a wide range of innovation indicators, by industry. The Innovation Index fills a gap in current innovation research, as it is the first study to reflect the complex nature of innovation via an inter-industry, multi-indicator analysis approach incorporating data on R&D intensity, patent intensity, trade mark intensity, design intensity, organisational/managerial transformation, and productivity.

R&D and Intellectual Property Scoreboard 2007

This annual report was completed in 2009 and was co-produced with IBISWorld, CTG and IP Australia. The report, which was released in January 2010, documents the number of patent, trade mark and design applications made by Australian firms in



2006 and the amount of R&D expenditure. As such, it provides a benchmark of the most innovative Australian firms. The report also disaggregates this information so that the rankings of innovative firms can be identified by industry.

PricewaterhouseCoopers Melbourne Institute Asialink Index

This second annual report was undertaken in collaboration with PricewaterhouseCoopers and Asialink (The University of Melbourne). This report measures the rate of change in Australia's engagement with its Asian neighbours. It is Australia's first comprehensive study of Australian-Asian engagement — as measured across a range of areas, including trade, investment, tourism, education, migration, business



Dr Alfons Palangkaraya and Ms Anne Leahy

development and humanitarian assistance, between Australia and 25 Asian economies in the period 1990–2008.

IPRIA

The Industrial Economics staff were also involved in projects and seminars hosted by the Intellectual Property Research Institute of Australia (IPRIA), which is an inter-disciplinary research centre (economics, law and management) primarily funded by IP Australia.

IPRIA hosted a number of headline events during 2009. In February, IPRIA organised a conference in collaboration with the Australian Institute for Commercialisation on 'Commercialising Inventions – What's the Story?' The conference, held in Brisbane and Melbourne, attracted over 200 people and featured Professor

Bronwyn Hall (UC, Berkeley) and Professor Alfonso Gambardella (Università Commerciale 'Luigi Bocconi', Milan, Italy) as keynote speakers.

During 2009 we convened a series of seminars around Australia that included 'Do Patents Matter for Commercialisation?' by Dr Paul Jensen, and 'Patent Infringement in Australia: Results from a Survey' by Associate Professor Beth Webster and Ms Kimberlee Weatherall. Dr Russell Thomson was invited by the Australian Federation of Intellectual Property Attorneys to speak on 'Innovation and the Global Financial Crisis' at their annual conference.

In August, Beth Webster was invited to the Australian Davos Leadership Conference to speak about innovation policy. In October, Paul Jensen gave an invited presentation at INNO-tec, Ludwig

Maximilians University, Munich, on 'Estimating the Patent Premium: Evidence from the Australian Inventor Survey'.

A number of pieces of contract research were completed, including 'Doing Business with Japan'; 'A Guide to Metrics on Knowledge Transfer from Universities to Businesses and Industry in Australia'; 'A Profile of the Victorian Manufacturing Industry'; and 'IP Enforcement in the UK and Beyond: A Literature Review'.

Miscellaneous

Beth Webster was appointed as a part-time Commissioner for the State Services Authority (Victoria) for 2009. Paul Jensen was promoted to Principal Research Fellow (from 1 January 2010) and Alfons Palangkaraya was promoted to Senior Research Fellow (from 1 September 2009).



Associate Professor Beth Webster and Dr Russell Thomson



Dr Paul Jensen and Mr Andreas Stierwald

ECONOMIC AND SOCIAL OUTLOOK CONFERENCE: THE ROAD TO RECOVERY



The Melbourne Institute and *The Australian* jointly held their sixth Economic and Social Outlook Conference on 5 and 6 November, entitled 'The Road to Recovery: Restoring Prosperity after the Crisis'. The two-day conference brought together over 350 delegates from academia, politics, public service, business, unions and community groups to discuss policy options for Australia.

Key plenary sessions focused on the economy and the crisis, climate change and the road to Copenhagen, and society. Concurrent sessions covered issues including education, health reform, infrastructure, unemployment, social exclusion, regional Australia, innovation, and closing the gap for Indigenous Australians.

The conference was opened with an address from the Premier of Victoria, the Hon John Brumby. It was addressed by the Treasurer, the Hon Wayne Swan, and the former Leader of the Opposition, the Hon Malcolm Turnbull, as well as four ministers, four shadow ministers and 47 other distinguished speakers.



The Hon John Brumby MP, Premier of Victoria

The speakers and Chairs were:

The Hon Tony Abbott MP
 Professor Margaret Abernethy (The University of Melbourne)
 Mr Wesley Aird (Australian Employment Covenant)
 Mr Peter Allen (The Australia and New Zealand School of Government)
 Mr Gary Banks AO (Productivity Commission)
 Dr Neil Barr (Department of Primary Industries, Bendigo)
 The Hon John Brumby MP
 Mr Philip Bullock (Skills Australia)
 Senator the Hon Kim Carr
 Ms Melinda Cilentio (Business Council of Australia)
 Mr Tony Cole (Mercer (Australia) Pty Ltd)
 Professor Mark Considine (The University of Melbourne)
 Mr Kieran Davies (RBS Group (Australia) Pty Ltd)
 Professor Glyn Davis AC (The University of Melbourne)
 Dr John Deeble AO (The Australian National University)
 Mr Michael Deegan (Infrastructure Australia)
 Mr John W. H. Denton (Corrs Chambers Westgarth)
 Major David Eldridge AM (South Barwon Salvation Army)
 Mr Henry Ergas (Concept Economics)
 Mr Saul Eslake (Grattan Institute)
 Dr Brian Fisher (BAEconomics)
 Mr Robert Fitzgerald AM (Productivity Commission)
 Professor John Freebairn (The University of Melbourne)
 Mr Greig Gailey (Business Council of Australia)
 Professor Ross Garnaut AO (The Australian National University and The University of Melbourne)
 The Hon Julia Gillard MP
 Professor Robert Gregory AO (The Australian National University)
 The Hon Joe Hockey MP
 Mr Michael Horn (Brotherhood of St Laurence)
 Mr Paul Howes (The Australian Workers' Union)



Professor Robert Gregory AO, Professor of Economics, ANU

Dr Boyd Hunter (The Australian National University)
 Dr Peter Jonson
 Mr Christopher Joye (Rismark International)
 Associate Professor Guyonne Kalb (The University of Melbourne)
 Dr Tom Karmel (National Centre for Vocational Education Research)
 Professor Jack Keating (The University of Melbourne)
 Mr Paul Kelly (*The Australian*)
 Dr Ralph Lattimore (Productivity Commission)
 Professor Andrew Leigh (The Australian National University)
 Professor Guay Lim (The University of Melbourne)
 Adjunct Professor Alison McClelland (Department of Planning and Community Development)
 Professor Warwick J. McKibbin (The Australian National University)
 The Hon Jenny Macklin MP
 Ms Clare Martin (Australian Council of Social Services)
 Mr George Megalogenis (*The Australian*)
 Mr Scott Morrison MP
 Mr Tony Nicholson (Brotherhood of St Laurence)
 Ms Mary Ann O'Loughlin (COAG Reform Council)
 Mr David Pearce (The Centre for International Economics)
 Mr Chris Richardson (Access Economics)
 Professor Field Rickards (The University of Melbourne)

Mrs Heather Ridout (Australian Industry Group)
Professor Anthony Scott (The University of Melbourne)
Dr Rosanna Scutella (The University of Melbourne and Brotherhood of St Laurence)
Mr Rod Sims (Port Jackson Partners Limited)
Professor Judith Sloan (Australian Fair Pay Commission)
Mr Richard Stayner (University of New England)
Senator the Hon Ursula Stephens
Mr Glenn Stevens (Reserve Bank of Australia)

Mr Michael Stutchbury (*The Australian*)
The Hon Wayne Swan MP
The Hon Lindsay Tanner MP
Professor Collette Tayler (The University of Melbourne)
Mr David Thompson (Jobs Australia)
The Hon Malcolm Turnbull MP
Professor Jan van Ours (Tilburg University and The University of Melbourne)
Professor Neil Warren (The University of New South Wales)
Associate Professor Elizabeth Webster (The University of Melbourne)
Dr Roger Wilkins (The University of Melbourne)

Senator the Hon Penny Wong
Professor Mark Wooden (The University of Melbourne)
Mr Michael Woods (Productivity Commission)
Associate Professor Judith Yates (The University of Sydney)
The Gala Dinner address at the Melbourne Museum was given by Mr Glenn Stevens, Governor of the Reserve Bank of Australia, who talked about 'The Road to Prosperity'.
Papers and presentations are available on the Melbourne Institute's website at <www.melbourneinstitute.com/conf2009/default.html>.



From left: Professor Mark Wooden, Mr Paul Kelly, Professor Glyn Davis, Mr Greig Gailey, Professor John Freebairn, Professor Ross Garnaut

MELBOURNE INSTITUTE FORUMS



Professor Ross Garnaut, Vice-Chancellor's Fellow and Professorial Research Fellow



Professor Guay Lim, Professorial Research Fellow



Professor Stephen Sedgwick, Director, Melbourne Institute

Economics Forum in Melbourne

The Melbourne Institute Economics Forum in Melbourne entered its 12th year in 2009 and generated considerable interest. Luncheons were held on 25 March at the Sofitel Melbourne, 20 July at the Grand Hyatt and 10 September at the Park Hyatt. A particular policy issue was covered and discussed at each forum.

The forums were chaired by Mr Tony Cole of Mercer (Australia) Pty Ltd.

Topics and speakers in 2009 were:

Getting the Skills Australia Needs (25 March)

Mr Patrick Coleman (Business Council of Australia)

Dr Tom Karmel (National Centre for Vocational Education Research)

Professor Kostas Mavromaras (Melbourne Institute)

China and the Global Economic Crisis (20 July)

Professor Ross Garnaut (The University of Melbourne and The Australian National University)

Dr Xiao Geng (Brookings-Tsinghua Center for Public Policy)

Dr Yiping Huang (Peking University)

Dr Guonan Ma (Bank of International Settlements)

Dr Ligang Song (The Australian National University)

The Future of Financial Regulation (10 September)

Professor Kevin Davis (Melbourne Centre for Financial Studies)

Professor Guay Lim (Melbourne Institute)

Mr John O'Shaughnessy (Investment and Financial Services)

Public Economics Forum in Canberra

In 2009 the Melbourne Institute Public Economics Forum in Canberra continued into its 11th year and maintained very strong interest levels. Luncheons were held on 19 March, 10 June and 8 September at the Hyatt Hotel Canberra and on 23 November at Hotel Realm. A particular policy issue was covered and discussed at each forum.

The forums were chaired by Mr Gary Banks (Productivity Commission) and Ms Jane Halton PSM (Department of Health and Ageing).

Topics and speakers in 2009 were:

Getting the Skills Australia Needs (19 March)

Ms Megan Lilly (Australian Industry Group)

Professor Kostas Mavromaras (Melbourne Institute)

Dr Chris Ryan (The Australian National University)

Work, Family and the Economic Crisis (10 June)

Dr Matthew Gray (Australian Institute of Family Studies)

Dr Ed Shann (Independent Economist)

Professor Mark Wooden (Melbourne Institute)

The Future of Financial Regulation (8 September)

Professor Kevin Davis (Melbourne Centre for Financial Studies)

Professor Guay Lim (Melbourne Institute)

Mr John O'Shaughnessy (Investment and Financial Services)

Re-setting Priorities in Health Reform (23 November)

Dr John Deeble (The Australian National University)

Ms Mary Ann O'Loughlin (COAG Reform Council)

Professor Anthony Scott (Melbourne Institute)

AUSTRALIA'S FUTURE TAX AND TRANSFER POLICY CONFERENCE

On 18 and 19 June, the Melbourne Institute and the Commonwealth Department of the Treasury held a two-day conference entitled 'Australia's Future Tax and Transfer Policy Conference'.

The Melbourne Institute organised the conference for the Tax Review Panel to provide an opportunity for international experts and a range of academics and stakeholders to debate leading-edge tax and transfer policy issues and to contribute to the work of the Review Panel in an informal setting.

The conference sessions were attended by 150 invited delegates. The program included a first-class selection of keynote speakers and discussants, drawn from across the world, who presented papers in the following nine sessions: 'Opportunities and Challenges: Tax and Transfer Reform'; 'Directions in Tax and Transfer Theory'; 'Commonwealth–State Taxation'; 'Aspects of the Taxation of Savings and Wealth'; 'Housing and Pensions'; 'The Tax–Transfer System and Labour Supply Environment'; 'The Taxation of Capital Income (including Business Taxation)'; 'Taxing Specific Goods and Services (including Alcohol and Tobacco)'; and 'A Citizen-Centred Tax and Transfer System (Complexity and Compliance)'.

Speakers, Discussants and Chairs

Professor Patricia Apps (The University of Sydney)

Professor Alan Auerbach (University of California, Berkeley)

Mr Matt Bengt (Inland Revenue Department)

Professor Peter Birch Sørensen (University of Copenhagen)

Professor Richard M. Bird (University of Toronto)

Mr Don Challen (Department of Treasury and Finance, Tasmania)

Professor Harry Clarke (La Trobe University)

Professor Sijbren Cossen (CPB Netherlands Bureau for Economic Policy Analysis)

Professor Julian Disney AO (The University of New South Wales)

Professor Richard Disney (University of Nottingham)

Professor Chris Evans (The University of New South Wales)

Professor John Freebairn (The University of Melbourne)

Professor Quentin Grafton (The Australian National University)

Dr Jeff Harmer (Department of Families, Housing, Community Services and Indigenous Affairs)

Professor Christopher Heady (University of Kent)

Dr Ken Henry AC (Department of the Treasury)

Professor Michael Keane (The University of Technology Sydney)

Professor John Piggott (The University of New South Wales)

Mrs Heather Ridout (Australian Industry Group)

Dr Matthew Ryan (Taxation Policy Consultant)

Professor Stephen Sedgwick (The University of Melbourne)

Professor Joel B. Slemrod (University of Michigan)

Mr David Smith (Queensland Treasury)

Mr Greg Smith (The Australian Catholic University)

Professor Richard Vann (The University of Sydney)

Professor Neil Warren (The University of New South Wales)

Professor Peter Whiteford (The University of New South Wales)

Professor Gavin Wood (RMIT University)

Professor Mark Wooden (The University of Melbourne)

The conference papers are available at www.taxreview.treasury.gov.au/.



Australia's Future Tax and Transfer Policy Conference



Dr Ken Henry AC, Department of the Treasury

ADVISORY BOARD, 2009



Mr Tony Cole

Chairperson

Mr Tony Cole, Business Leader for Investment Consulting in Asia Pacific, Mercer (Australia) Pty Ltd

Members

Professor Margaret Abernethy, Dean, Faculty of Business and Economics, The University of Melbourne

Ms Carol Austin, Investment Services Director, Contango Asset Management

Mr Gary Banks, Chairman, Productivity Commission

Professor W. Max Corden, Professorial Fellow, Department of Economics, The University of Melbourne

Ms Rachel Derham, Business Manager, Melbourne Institute

Mr Bill Evans, General Manager, Economics, Westpac Banking Corporation

Ms Jane Halton PSM, Secretary, Department of Health and Ageing

Dr Jeff Harmer, Secretary, Department of Families, Housing, Community Services and Indigenous Affairs

Mr Grant Hehir, Secretary, Department of Treasury and Finance, Victoria

Associate Professor Guyonne Kalb, Principal Research fellow, Melbourne Institute

Dr Christopher Kent, Head of Economic Research, Reserve Bank of Australia

Professor Guay Lim, Professorial Research Fellow, Melbourne Institute

Adjunct Professor Alison McClelland, Executive Director, Strategic Policy, Research and Communications Division, Department of Planning and Community Development, Victoria

Professor Kostas Mavromaras, Professorial Research Fellow, Melbourne Institute (*until 16 August 2009*)

Mr Tony Nicholson, Executive Director, Brotherhood of St Laurence

Ms Lisa Paul, Secretary, Department of Education, Employment and Workplace Relations

Mr Phil Ruthven, Executive Chairman, IBISWorld

Professor Anthony Scott, Professorial Research Fellow, Melbourne Institute

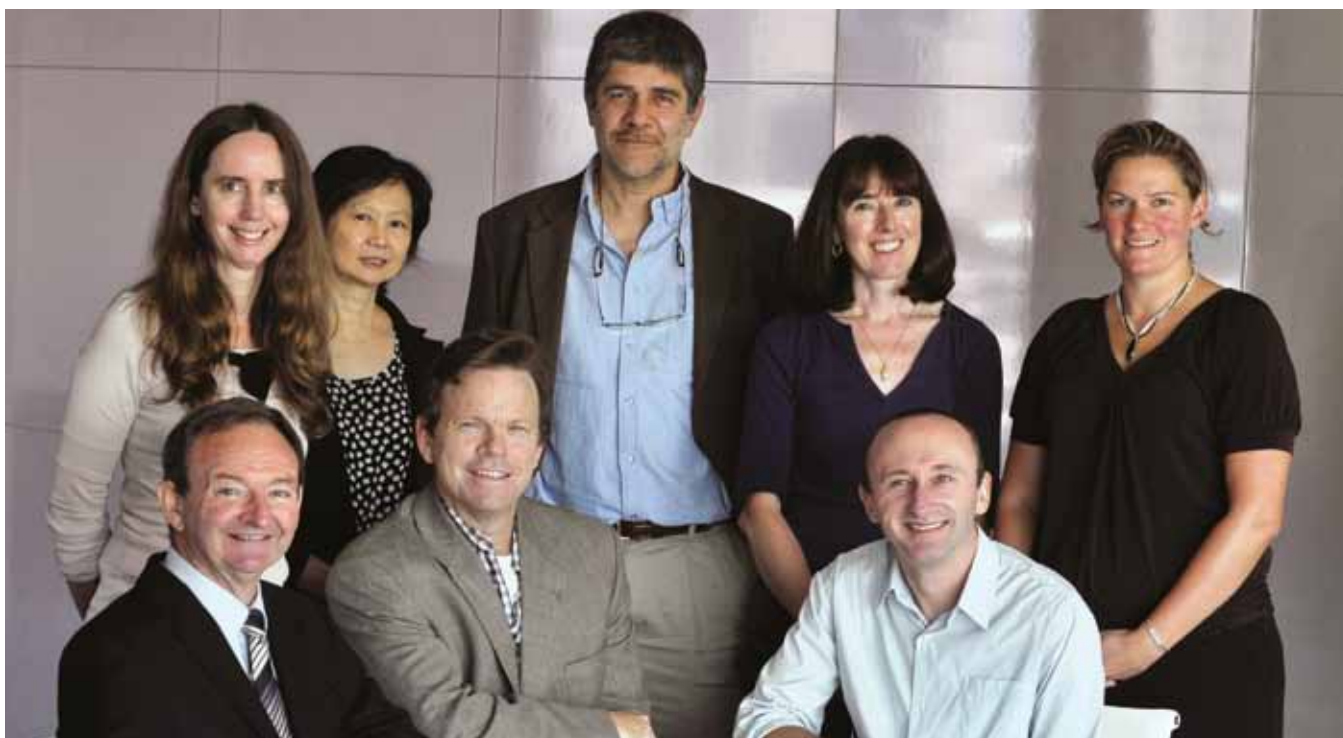
Professor Stephen Sedgwick, Director, Melbourne Institute (*until 31 July 2009*)

Associate Professor Elizabeth Webster, Principal Research Fellow, Melbourne Institute

Professor Mark Wooden, Deputy Director and Professorial Research Fellow, Melbourne Institute

Professor Lyn Yates, Pro Vice-Chancellor (Research), The University of Melbourne

OUR STAFF, 2009



The Melbourne Institute Senior Management team 2009

Director

Professor Stephen Sedgwick BEc Hons Sydney MSc (Economics) London (until 31 July 2009)

Research Staff

Professorial Research Fellows

Professor Ross Garnaut AO BA PhD ANU (Vice-Chancellor's Fellow and Professorial Research Fellow)

Professor Guay Lim BEc MEc PhD ANU (Director, Applied Macroeconomics)

Professor Kostas Mavromaras BA Hons Piraeus DPhil York (Director, Labour Economics and Social Policy) (until 16 August 2009)

Professor Anthony Scott BA Hons Newcastle MSc York PhD Aberdeen (Director, Health Economics)

Professor Mark Wooden BEc Hons Flinders MSc London (Deputy Director and Director, HILDA Project)

Principal Research Fellows

Associate Professor Guyonne Kalb MEc Erasmus PhD Monash (Director, Labour Economics and Social Policy)

Associate Professor Elizabeth Webster BEc Hons MEc Monash PhD Camb (Director, Industrial Economics)

Associate Professor Roger Wilkins BCom Hons MCom Melb MSc Wisc PhD Melb (Deputy Director Research, HILDA Project)

Senior Research Fellows

Dr Lixin Cai BEd Henan MA Renmin MEc PhD ANU

Dr Pu Chen BEng Shandong MMgmt PhD (Eco) Bielefeld

Dr Paul Jensen BEc Sydney PhD UNSW

Dr Alfons Palangkaraya BSc UMo MA Penn St PhD Ore St

Dr Rosanna Scutella BCom Hons PhD Melb

Dr Yi-Ping Tseng BEc Taiwan PhD ANU

Dr Jongsay Yong BA BSocSc Hons MSocSc NUS MA PhD Brit Col

Research Fellows Grade 2

Dr Hielke Buddelmeyer MA Vrije PhD NYU

Mr Terence Cheng BSocSci Hons MSocSci NUS

Dr Michael Chua BEc Hons PhD UNE

Dr Edda Claus BA (Eco) McGill PhD ANU

Mr Simon Freidin BBSc Hons GradDipCompSc LaT (HILDA Survey Database Manager and Analyst)

Ms Alison Goode BA Hons Newcastle Upon Tyne MSc Aberdeen

Dr Nicolas Hérault BSc (Eco) MSc (Eco) PhD Bordeaux

Dr Sung-Hee Jeon BA Ewha Womans MA PhD York (Toronto)

Dr Weiping Kostenko BIS Beijing Jiaotong MEco Guangdong Academy of Social Science PhD Monash

Dr Wang-Sheng Lee BA (Eco) Colby MA Michigan PhD Melb

Mr Cain Polidano BAgricEcon Hons LaT MAgric (Eco) Sydney

Dr Stefanie Schurer DiplPol Potsdam MSc (Eco) York PhD (Eco) RGS Econ

Dr Peter Sivey BSc (Eco) MSc (Health Eco) PhD York

Dr Russell Thomson BSc Grd Cert Development Melb Grd Dip Econ PhD ANU

Dr Sarantis Tsiaplias BCom Hons/LLB Deakin PhD Melb

Ms Ha Vu BEc Newcastle Hons ANU

Ms Nicole Watson BSc UWA GDipMgtSc Canberra MMedStat Newcastle (Deputy Director, Survey Management, HILDA Project)

Research Assistants Grade 2

Mr Driss Ait Ouakrim BA Hons M Rural History *Lumière* M Public Health *Claude Bernard*

Mr David Black BCom Hons *Melb*

Ms Yin King Fok BCom Hons/BIS *Melb*

Mr Markus Hahn German Diplom (Eco) *Ruhr* (HILDA Research Officer)

Mr Brendan Hough BCom Hons/B Software Eng *Melb*

Mr Peter Ittak BSc BEco *Monash* (HILDA Database Support Officer)

Mr Daniel Kuehnle BA Hons Economics and Politics *Leeds* MSc Development Eco *Manchester*

Ms Anne Leahy BCom GCertClassics GradDipPhilosophy *Melb* (Survey Manager)

Ms Nellie Lentini BA *Monash* (Publications Manager)

Mr Woei Tian Liew BSc MSc *LaT* GDipEc *Melb* (Research Officer – Computing)

Ms Michelle Summerfield BSocSci *Edith Cowan* (HILDA Database Support Officer)

Ms Claire Sun BSc BCom *Auckland* (HILDA Survey Methodologist)

Ms Lauren Tyrell BPub.Policy/Mgmt Hons/BMedia and Coms *Melb* (until 6 November 2009)

Mr Mark van Zijll de Jong BCom Hons *Lincoln*

Ms Diana Warren BCom MCom Hons *W'gong*

Ms Rezida Zakirova MSc (Math) *Moscow ABD* MA (Eco) *CEU*

Research Assistants Grade 1

Ms Kerry Ware

Ms Lisa Willenberg BHealth Sci *Adelaide* BHealth Sci (Hons) *Deakin*

Professional Staff

Ms Rachel Derham BSc GradCertUniMgmt *Melb* (Business Manager)

Ms Theresa Goh BBus (Bus Admin) MPA *RMIT* ASA (Finance and Resources Manager)

Ms Penelope Hope BA *LaT* (Functions Manager)

Mr Cliff Howard BCom *Melb* (Communications and Publicity Manager)

Ms Jean Molloy (Executive Officer, IPRIA) (until 30 June 2009)

Mrs Paula Madsen (Administrative Officer, Labour Economics and Social Policy)

Ms Sharna Thomason BSocSci GradCertPolicy and Human Services *RMIT* (Executive Assistant) (until 28 February 2009)

Ms Michelle Wilson BA Hons *Melb* (Executive Officer, IPRIA) (from 1 July 2009)

Ms Michelle Best BEnvSc *LaT* (Administrative Assistant)

Ms Nicky Sapar Bus/BA *Monash* (Administrative Assistant, HILDA)

Mr Phillip Weaver BA Politics *Manchester Metropolitan University* (Administrative Assistant)

PhD Students

In Progress (Melbourne Institute Students)

David Black

Yin King Fok

Yashar Gedik

Michelle Mclsaac

Andreas Stierwald

Sui Lay Tan

Mark van Zijll de Jong

Ha Vu

Diana Warren

In Progress (External Students)

Catherine Bao (Department of Economics, The University of Melbourne)

Pawan Chongussayakul (Department of Economics, The University of Melbourne)

Kate Filla (Behavioural Science, The University of Melbourne)

Edhie Purnawan (Department of Economics, The University of Melbourne)

Chris Wiew (School of Population Health, The University of Melbourne)

Honorary Appointments

Adjunct Professors

Professor Jeff Borland MA PhD *Yale* FASSA (Department of Economics, The University of Melbourne)

Professor John Creedy BSc (Eco with Stats) *Brist* BPhil (Eco) *Oxf* FASSA (Truby Williams Chair of Economics, Department of Economics, The University of Melbourne)

Professor John Freebairn BAgEc MAgEc *NE* PhD *Davis* FASSA (Ritchie Chair in Economics, Department of Economics, The University of Melbourne)

Professor Bill Griffiths BAgEc Hons *UNE* PhD *Illinois* FASSA (Professor of Econometrics, Department of Economics, The University of Melbourne)

Professor Michael Shields BA Hons *Stafford* MSc Health *York* PhD *Leic* (Department of Economics, The University of Melbourne)

Professorial Fellows

Professor Richard Burkhauser BA (Eco) *St Vincent's College* MA (Eco) *Rutgers* PhD *Chicago* (Professor and Department Chair, Department of Policy Analysis and Management, Cornell University)

Professor Peter Dawkins BSc *Lough* MSc (Eco) *London* PhD *Lough* (Secretary, Department of Education and Early Childhood Development)

Professor Robert Drago BS *Tulsa* MA PhD *Mass/Am* (Professor of Labor Studies and Women's Studies, Pennsylvania State University)

Professor Alan Duncan BA Hons *Manchester* DPhil *York* (Professor of Microeconomics, School of Economics, The University of Nottingham)

Professor Judith Sloan BEc Hons MA *Melb* MScEc *London* (Commissioner, Productivity Commission)

Professor Peter Sloane BA (Eco) Hons *Sheffield* PhD *Strathclyde* FRSA FRSE (Director, Welsh Economy and Labour Market Evaluation Centre (WELMERC), Swansea University)

Professor Ross Williams BCom *Melb* MScEc PhD *London* FASSA

Principal Fellows

Associate Professor Bruce Headey BA *Oxf* MA *Wisc* PhD *Strath*

Dr Gary Marks BSc Hons MSc *Melb* PhD *Qld*

Senior Fellows

Dr Denise Doiron BA *Monc* MA PhD *UBC* (Department of Economics, The University of New South Wales)

Dr Mark Rogers BSc *London* MSc *Warw* PhD *ANU* (Harris Manchester College, Oxford University)

STAFF PUBLICATIONS, 2009

Book

Garnaut R. 2009. *The Great Crash of 2008*. Carlton, Australia: Melbourne University Press.

Book Chapters

Hérault N. 2009. Labour Supply Modelling in Sequential Computable General Equilibrium–Microsimulation Models, in *Emerging Topics in Macroeconomics*. New York, United States: Nova Science Publishers, 3–11.

Kalb G & Thoresen T. 2009. Behavioural Microsimulation: Labour Supply and Childcare Use Responses in Australia and Norway, in *New Frontiers in Microsimulation Modelling*. United Kingdom: Ashgate, 231–261.

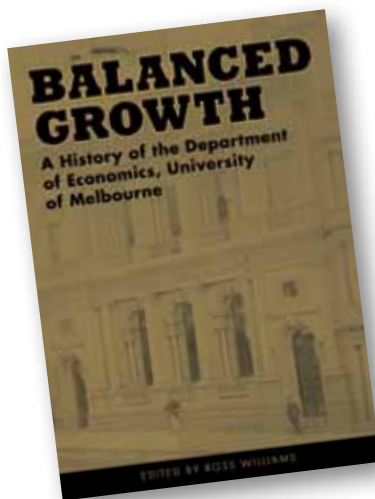
McClelland A & Scutella R. 2009. Taxation: Paying for Policy, in *Social Policy in Australia: Understanding for Action*. South Melbourne, Australia: Oxford University Press, 250–265.

Marks G. 2009. The Influence of Cultural Capital on Educational and Early Labour Market Outcomes of Young People in Australia, in *Quantifying Theory: Pierre Bourdieu*. Netherlands: Springer, 89–103.

Watson N & Wooden M. 2009. Identifying Factors Affecting Longitudinal Survey Response, in *Methodology of Longitudinal Surveys*. Chichester, United Kingdom: John Wiley & Sons, 157–181.

Williams R. 2009. Trends and Cycles: 1925–2008, in *Balanced Growth: A History of the Department of Economics, University of Melbourne*. Melbourne, Australia: Australian Scholarly Publishing, 5–23.

Wooden M & Drago R. 2009. The Changing Distribution of Working Hours in Australia, in *Laggards and Leaders in Labour Market Reform: Comparing Japan and Australia*. Abingdon, United Kingdom: RoutledgeFalmer, 67–81.



Refereed Journal Articles

Cai L. 2009. Be Wealthy to Stay Healthy: An Analysis of Older Australians Using the HILDA Survey. *Journal of Sociology*. 45 (1): 55–70.

Cai L. 2009. Effects of Health on Wages of Australian Men. *Economic Record*. 85 (270): 290–306.

Cai L. 2009. Estimation of Simultaneous Equation Models with Latent Dependent Variables: A Monte Carlo Evaluation. *Applied Economics Letters*. 16 (11): 1107–1112.

Cai L. 2009. Is Self-Reported Disability Status Endogenous to Labour Force Status? *Applied Economics Letters*. 16 (5): 459–464.

Cai L & Cong C. 2009. Effects of Health and Chronic Diseases on Older Working-Age Australians. *Australian Economic Papers*. 48 (2): 166–182.

Cardak B & Wilkins R. 2009. The Determinants of Household Risky Asset Holdings: Australian Evidence on Background Risk and Other Factors. *Journal of Banking & Finance*. 3 (5): 850–860.

Chua M & Tsiaplias S. 2009. Can Consumer Sentiment and Its Components Forecast Australian GDP and Consumption? *Journal of Forecasting*. 28 (8): 698–711.

Coelli M & Wilkins R. 2009. Credential Changes and Education Earnings Premia in Australia. *Economic Record*. 85 (270): 239–259.

Creedy J, Hérault N & Kalb G. 2009. Abolishing the Tax-Free Threshold in Australia: Simulating Alternative Reforms. *Fiscal Studies*. 30 (2): 219–246.

Crossley T, Hurley J & Jeon S. 2009. Physician Labour Supply in Canada: A Cohort Analysis. *Health Economics*. 18 (4): 437–456.

Drago R, Wooden M & Black D. 2009. Long Work Hours: Volunteers and Conscripts. *British Journal of Industrial Relations*. 47 (3): 571–600.

Drago R, Wooden M & Black D. 2009. Who Wants Flexibility? Changing Work Hours Preferences and Life Events. *Industrial and Labor Relations Review*. 62 (3): 394–414.

Farrar S, Yi D, Sutton M, Chalkley M, Sussex J & Scott A. 2009. Has Payment by Results Affected the Way that English Hospitals Provide Care? Difference-in-Differences Analysis. *British Medical Journal*. 339 (272): b3047.

Frick J & Headey B. 2009. Living Standards in Retirement: Accepted International Comparisons Are Misleading. *Schmollers Jahrbuch*. 129 (2): 309–319.

Harris M, Kostenko W, Matyas L & Timol I. 2009. The Robustness of Estimators for Dynamic Panel Data Models to Misspecification. *Singapore Economic Review*. 54 (3): 399–426.

Hérault N. 2009. Les apports de la micro-simulation aux modèles d'équilibre général: application au cas de l'Afrique du Sud (The Contribution of Microsimulation to General Equilibrium Models: An Application to South Africa). *Economie et Prévision*. 187 (1): 123–135.

Jensen P & Stonecash R. 2009. Contract Type and the Cost of Provision: Evidence from Maintenance Services Contracts. *Fiscal Studies*. 30 (2): 279–296.

Jensen P & Webster E. 2009. Another Look at the Relationship between Innovation Proxies. *Australian Economic Papers*. 48 (3): 252–269.

- Jensen P & Webster E. 2009. Knowledge Management: Does Capture Impede Creation? *Industrial and Corporate Change*. 18 (4): 701–727.
- Jensen P, Webster E & Witt J. 2009. Hospital Type and Patient Outcomes: An Empirical Examination Using AMI Re-admission and Mortality Records. *Health Economics*. 18 (12): 1440–1460.
- Johnston D & Lee W. 2009. Retiring to the Good Life? The Short-Term Effects of Retirement on Health. *Economics Letters*. 103 (1): 8–11.
- Kalb G. 2009. Children, Labour Supply and Childcare: Challenges for Empirical Analysis. *Australian Economic Review*. 42 (3): 276–299.
- Lim G, Chua M, Claus E & Tsiaplias S. 2009. Review of the Australian Economy 2008–09: Recessions, Retrenchments and Risks. *Australian Economic Review*. 42 (1): 1–11.
- Lim G, Dixon R & Tsiaplias S. 2009. Phillips Curve and the Equilibrium Unemployment Rate. *Economic Record*. 85 (4): 371–382.
- McGuinness S & Wooden M. 2009. Overskilling, Job Insecurity and Career Mobility: Evidence from Australia. *Industrial Relations*. 48 (2): 265–286.
- Marks G. 2009. Accounting for School Sector Differences in University Entrance Performance. *Australian Journal of Education*. 53 (1): 19–38.
- Marks G. 2009. Modernization Theory and Changes Over Time in the Reproduction of Socioeconomic Inequalities in Australia. *Social Forces*. 88 (2): 917–944.
- Marks G. 2009. Social Consequences of the Australian Higher Education Contribution Scheme (HECS). *Higher Education*. 57 (1): 71–84.
- Mavromaras K, Fok YK & McGuinness S. 2009. Assessing the Incidence and Wage Effects of Overskilling in the Australian Labour Market. *Economic Record*. 85 (268): 60–72.
- Palangkaraya A & Yong J. 2009. Parallel Imports, Market Size and Investment Incentive. *Singapore Economic Review*. 54 (2): 167–181.
- Palangkaraya A & Yong J. 2009. Population Ageing and Its Implications on Aggregate Health Care Demand: Empirical Evidence from 22 OECD Countries. *International Journal of Health Care Finance and Economics*. 9 (4): 391–402.
- Palangkaraya A, Yong J, Webster E & Dawkins P. 2009. The Income Distributive Implications of Recent Private Health Insurance Policy Reforms in Australia. *European Journal of Health Economics*. 10 (2): 135–148.
- Scott A, Schurer S, Jensen P & Sivey P. 2009. The Effects of an Incentive Program on Quality of Care in Diabetes Management. *Health Economics*. 18 (9): 1091–1108.
- Shields M, Wheatley Price S & Wooden M. 2009. Life Satisfaction and the Economic and Social Characteristics of Neighbourhoods. *Journal of Population Economics*. 22 (2): 421–443.
- Stierwald A, Palangkaraya A & Yong J. 2009. Is Firm Productivity Related to Size and Age? The Case of Large Australian Firms. *Journal of Industry, Competition and Trade: From Theory to Policy*. 9 (2): 167–195.
- Wilkins R & Wooden M. 2009. Household Debt in Australia: The Looming Crisis that Isn't. *Australian Economic Review*. 42 (3): 358–366.
- Witt J, Scott A & Osborne R. 2009. Designing Choice Experiments with Many Attributes. An Application to Setting Priorities for Orthopaedic Waiting Lists. *Health Economics*. 18 (6): 681–696.
- Wooden M, Warren D & Drago R. 2009. Working Time Mismatch and Subjective Well-Being. *British Journal of Industrial Relations*. 47 (1): 147–179.

Refereed Conference Proceedings

- Buddelmeyer H & Cai L. 2009. Interrelated Dynamics of Health and Poverty in Australia. Proceedings of the HILDA Survey Research Conference 2009. Australia: Melbourne Institute of Applied Economic and Social Research.
- Buddelmeyer H, Lee W & Wooden M. 2009. Low-Paid Employment and Unemployment Dynamics in Australia. Proceedings of the HILDA Survey Research Conference 2009. Australia: Melbourne Institute of Applied Economic and Social Research.
- Kostenko W. 2009. Does Labour Market Achievement Matter for the Wellbeing of Australian Immigrants? Culture and Gender Differences. Proceedings of the HILDA Survey Research Conference 2009. Australia: Melbourne Institute of Applied Economic and Social Research.



The HILDA Survey Research Conference

Perkins D, Tyrrell L & Scutella R. 2009. Is Career Advancement Important to Disadvantaged Jobseekers? Analysis of a Large Survey of Disadvantaged Jobseekers. The Australian Social Policy Conference 2009: An Inclusive Society? Practicalities and Possibilities. Australia: Social Policy Research Centre, University of New South Wales.

Melbourne Institute Working Papers

Black D, Tseng Y & Wilkins R. 2009. Examining the Role of Demographic Change in the Decline in Male Employment in Australia: A Propensity Score Re-weighting Decomposition Approach. Melbourne Institute of Applied Economic and Social Research Working Paper No. 24/09.

Buddelmeyer H, Hérault N, Kalb G & van Zijll de Jong M. 2009. Linking a Dynamic CGE Model and a Microsimulation Model: Climate Change Mitigation Policies and Income Distribution in Australia. Melbourne Institute of Applied Economic and Social Research Working Paper No. 3/09.

Buddelmeyer H, Lee W & Wooden M. 2009. Low-Paid Employment and Unemployment Dynamics in Australia. Melbourne Institute of Applied Economic and Social Research Working Paper No. 6/09.

Chua M, Lim GC & Tsiaplias S. 2009. A Latent Variable Approach to Forecasting the Unemployment Rate. Melbourne Institute of Applied Economic and Social Research Working Paper No. 19/09.

Chua M, Palangkaraya A & Yong J. 2009. Hospital Competition, Technical Efficiency, and Quality. Melbourne Institute of Applied Economic and Social Research Working Paper No. 16/09.

Corden WM. 2009. The Theory of the Fiscal Stimulus: How Will a Debt-Financed Stimulus Affect the Future? Melbourne Institute of Applied Economic and Social Research Working Paper No. 15/09.

Creedy J & Hérault N. 2009. Optimal Marginal Income Tax Reforms: A Microsimulation Analysis. Melbourne Institute of Applied Economic and Social Research Working Paper No. 23/09.

Drago R, Sawyer K, Sheffler K, Warren D & Wooden M. 2009. Did Australia's Baby Bonus Increase the Fertility Rate? Melbourne Institute of Applied Economic and Social Research Working Paper No. 1/09.

Fok YK, Jeon S & Wilkins R. 2009. Does Part-Time Employment Help or Hinder Lone Mothers' Movements into Full-Time Employment? Melbourne Institute of Applied Economic and Social Research Working Paper No. 25/09.

Gravelle H & Sivey P. 2009. Imperfect Quality Information in a Quality-Competitive Hospital Market. Melbourne Institute of Applied Economic and Social Research Working Paper No. 5/09.

Griffiths W & Webster E. 2009. What Governs Firm-Level R&D: Internal or External Factors? Melbourne Institute of Applied Economic and Social Research Working Paper No. 13/09.

Hérault N. 2009. Sequential Linking of Computable General Equilibrium and Microsimulation Models. Melbourne Institute of Applied Economic and Social Research Working Paper No. 2/09.

Hérault N & Kalb G. 2009. Intergenerational Correlation of Labour Market Outcomes. Melbourne Institute of Applied Economic and Social Research Working Paper No. 14/09.

Hunter LC, Webster E & Wyatt A. 2009. Identifying Corporate Expenditures on Intangibles Using GAAP. Melbourne Institute of Applied Economic and Social Research Working Paper No. 12/09.

Jensen P & Webster E. 2009. Macroeconomic Conditions and Successful Commercialization. Melbourne Institute of Applied Economic and Social Research Working Paper No. 9/09.

Kostenko W. 2009. Does Labour Market Achievement Matter for the Wellbeing of Australian Immigrants? Culture and Gender Differences. Melbourne Institute of Applied Economic and Social Research Working Paper No. 21/09.

Kostenko W, Harris M & Zhao X. 2009. Occupational Transition and Country-of-Origin Effects in the Early Stage Occupational Assimilation of Immigrants: Some Evidence from Australia. Melbourne Institute of Applied Economic and Social Research Working Paper No. 20/09.

Leigh A & Wilkins R. 2009. Working Credits: A Low-Cost Alternative to Earned Income Tax Credits? Melbourne Institute of Applied Economic and Social Research Working Paper No. 7/09.

Mavromaras K, McGuinness S & Fok YK. 2009. Overskilling Dynamics and Education Pathways. Melbourne Institute of Applied Economic and Social Research Working Paper No. 22/09.

Palangkaraya A & Yong J. 2009. Hospital Markets and the Effect of Competition on Quality. Melbourne Institute of Applied Economic and Social Research Working Paper No. 17/09.

Scutella R, Wilkins R & Horn M. 2009. Measuring Poverty and Social Exclusion in Australia: A Proposed Multidimensional Framework for Identifying Socio-Economic Disadvantage. Melbourne Institute of Applied Economic and Social Research Working Paper No. 4/09. Scutella R, Wilkins R & Kostenko W. 2009. Estimates of Poverty and Social Exclusion in Australia: A Multidimensional Approach. Melbourne Institute of Applied Economic and Social Research Working Paper No. 26/09.

Thomson R. 2009. Tax Policy and R&D Investment by Australian Firms. Melbourne Institute of Applied Economic and Social Research Working Paper No. 10/09.

Thomson R. 2009. Tax Policy and the Globalisation of R&D. Melbourne Institute of Applied Economic and Social Research Working Paper No. 11/09.

Tsiaplias S. 2009. Examining Feedback, Momentum and Overreaction in National Equity Markets. Melbourne Institute of Applied Economic and Social Research Working Paper No. 18/09.

Webster E & Jensen P. 2009. Do Patents Matter for Commercialization? Melbourne Institute of Applied Economic and Social Research Working Paper No. 8/09.

SEMINARS AND PRESENTATIONS, 2009



Dr Paul Jensen

- Black D. 2009. 'Extension Location Economics of Income Support Recipients', DEEWR Social Policy Research Services Workshop: Social Inclusion and Disadvantage, Canberra, 11–12 November.
- Buddelmeyer H. 2009. 'Combining Income Support and Earnings', DEEWR Social Policy Research Services Workshop: Social Inclusion and Disadvantage, Canberra, 11–12 November.
- Buddelmeyer H. 2009. 'Linking a Dynamic CGE Model and a Microsimulation Model: Climate Change Mitigation Policies and Income Distribution in Australia', International Conference on Policy Modelling – EcoMod 2009, Ottawa, Canada, 24–26 June.
- Buddelmeyer H. 2009. 'Transitions from Casual Employment in Australia', 15th International Conference on Panel Data, University of Bonn, Germany, 3–5 July.
- Cai L. 2009. 'Interrelated Dynamics of Health and Poverty in Australia', NATSEM Seminar Series, University of Canberra, 14 May; Econometric Society Australasian Meeting, Canberra, 8–10 July; HILDA Survey Research Conference, University of Melbourne, 16–17 July; Far East and South Asia Meeting of the Econometric Society, University of Tokyo, Japan, 3–5 August.
- Cai L. 2009. 'Wage Distribution in China and Vietnam: Is There Any Difference?', Economic Workshop on Vietnam, Australian National University, 25 February.
- Chen P. 2009. 'Variable Selection in a Dynamic Factor Model', Melbourne Institute Workshop Series, 2 June; Econometric Society Australasian Meeting, Canberra, 8–10 July; Computing in Economics and Finance Conference, Sydney, 16 July.
- Cheng T. 2009. 'The Role of Illness Severity and Private Hospital Insurance on Hospitalisation Decisions in a Mixed Public and Private System: Evidence from Australia', Melbourne Institute Health Economics Workshop, 11 February.
- Cheng T. 2009. 'What Factors Influence the Earnings of GPs and Medical Specialists in Australia? Evidence from the MABEL Study', Melbourne Institute Workshop Series, 22 September; 31st Australian Conference of Health Economists, Hobart, 1–2 October.
- Claus E. 2009. 'Equity Market Integration in the Asia Pacific Region: Evidence from Discount Factors', 14th Australasian Macroeconomics Workshop, Deakin University, 16–17 April; Econometric Society Australasian Meeting, Canberra, 8–10 July.
- Claus E. 2009. 'Seven Leading Indexes of New Zealand Employment', New Zealand Department of Labour, Wellington, New Zealand, 30 June; New Zealand Association of Economists Conference, Wellington, New Zealand, 1–3 July.
- Garnaut R. 2009. 'The Legacy of the Great Crash of 2008', Melbourne Institute Workshop Series, 21 May.
- Hahn M. 2009. 'Eating Habits of the Australian Population: Fresh Evidence from the 2007 HILDA Survey', Melbourne Institute Workshop Series, 29 September; 31st Australian Conference of Health Economists, Hobart, 1–2 October.
- Héralault N. 2009. 'Intergenerational Correlation of Labour Market Outcomes', XXIV AIEL Conference of Labour Economics, Sassari, Italy, 24–25 September; GREThA - Research Unit in Theoretical and Applied Economics, University Montesquieu – Bordeaux IV, France, 2 October; The Economics of Intergenerational Mobility Conference, Australian National University, 30 November.
- Héralault N. 2009. 'Sequential Linking of Computable General Equilibrium and Microsimulation Models', Melbourne Institute Workshop Series, 19 May; CIRPÉE (Centre interuniversitaire sur le risque, les politiques économiques et l'emploi), Laval University, Québec, Canada, 4 June.
- Héralault N. 2009. 'Tax Policy Design and the Role of a Tax-Free Threshold', LARE-efi, University Montesquieu – Bordeaux IV, France, 17 September.
- Héralault N. 2009. 'The Education and Employment Outcomes of Youth in School-to-Work Transition', NCVET Youth Policy Forum – Young People: Finding Their Way in a New Era, Melbourne, 10 November.
- Héralault N. 2009. 'The Employment Outcomes of Youth Entering the Labour Market', DEEWR Social Policy Research Services Workshop: Social Inclusion and Disadvantage, Canberra, 11–12 November.
- Héralault N. 2009. 'The Impact of Agricultural Price Distortions on Inequality and Poverty in South Africa', 2nd General Conference of the International Microsimulation Association, Ottawa, Canada, 8–10 June; Toulouse School of Economics, France, 1 October.
- Héralault N. 2009. 'Welfare Change Measures in Behavioural Microsimulation Modelling Accounting for the Random Utility Component', 2nd General Conference of the International Microsimulation Association, Ottawa, Canada, 8–10 June.
- Jensen P. 2009. 'Do Patents Matter for Commercialisation?', IPRIA Public Seminars, Perth, 19 May; Adelaide, 21 May; Sydney, 25 May.
- Jensen, P. 2009. 'Estimating the Patent Premium: Evidence from the Australian Inventor Survey', Melbourne Institute Workshop Series, 16 June; 4th Annual Conference of the European Policy for Intellectual Property Association, Bologna, Italy, 24–25 September; MERIT, United Nations University, Maastricht, Netherlands, 30 September; Department of Managerial Economics, Strategy and Innovation, KU Leuven, Belgium, 8 October; Centre for European Economic Research (ZEW), Mannheim, Germany, 14 October; INNO-tec, Ludwig Maximilians University, Munich, Germany, 21 October.



Jensen, P. 2009. 'What Shapes Successful Technology Transfer? Evidence from the University of Melbourne', IPRIA and Australian Institute for Commercialisation Conference: Commercialising Inventions: What's the Story?, Brisbane, 17 February; Melbourne, 19 February.

Jeon S. 2009. 'The Dynamics of Welfare Participation among Women who Experienced Teenage Motherhood in Australia', European Society for Population Economics XXIII Annual Conference, Seville, Spain, 11–13 June.

Kalb G. 2009. 'Dynamics of Household Joblessness in Australia 2001–2007', DEEWR Social Policy Research Services Workshop: Social Inclusion and Disadvantage, Canberra, 11–12 November.

Kalb G. 2009. 'Intergenerational Correlation of Labour Market Outcomes', Melbourne Institute Workshop Series, 26 May; European Society for Population Economics XXIII Annual Conference, Seville, Spain, 11–13 June.

Kalb G. 2009. 'Location Economics: Spatial Mobility and Social Exclusion', DEEWR Workshop, Canberra, 6 May.

Kalb G. 2009. 'Melbourne Institute Update on Work in Progress', DEEWR Social Policy Research Services Workshop: Social Inclusion and Disadvantage, Canberra, 11–12 November.

Kalb G. 2009. 'Modelling Labour Supply Responses in Australia and New Zealand', Tax Policy Colloquium: New Zealand Tax Reform – Where to Next?, Victoria University of Wellington, New Zealand, 11–13 February.

Kalb G. 2009. 'The Dynamics of Welfare Participation among Women who Experienced Teenage Motherhood', Seminar, Macquarie University, 18 September.

Kostenko W. 2009. 'Does Labour Market Achievement Matter for the Wellbeing of Australian Immigrants? Culture and Gender Differences', HILDA Survey Research Conference, University of Melbourne, 16–17 July.

Kostenko W. 2009. 'Migrants' Settlement in Australia: Underemployment and Mental Health under Dual Participation Selectivity', Melbourne Institute Workshop Series, 28 July; 4th International Symposium on Economic Theory, Policy and Applications, Athens, Greece, 3–6 August.

Lee W. 2009. 'Experiences of Income Support Recipients with a Mental Illness', DEEWR Social Policy Research Services Workshop: Social Inclusion and Disadvantage, Canberra, 11–12 November.

Lee W. 2009. 'Explaining the Black–White Obesity Gap: A Distributional Decomposition Analysis', 31st Australian Conference of Health Economists, Hobart, 1–2 October.

Lee W. 2009. 'Minimum Wages and Employment: Reconsidering the Use of a Time-Series Approach as an Evaluation Tool', Weekly Seminar, IZA, Bonn, 14 April.

Lee W. 2009. 'Using a Dynamic Matching Panel Estimator to Evaluate the Effects of Labor Market Policies in Germany', Microeconometrics Workshop, University of Melbourne, 5 August; Labour Econometrics Workshop, Brisbane, 7–8 August.

Lee W. 2009. 'Well-Being and Ill-Being: A Bivariate Panel Data Analysis', Wellbeing and Mental Health Workshop, Deakin University, 27 August.

Lim G. 2009. 'Cyclical Government Spending, Income Inequality and Welfare in Small Open Economies', 15th International Conference on Computing in Economics and Finance, Sydney, 15–17 July.

Lim G. 2009. 'Regulating the Financial System: Some Banking Evidence', Melbourne Institute Public Economics Forum, Canberra, 8 September; Melbourne Institute Economics Forum, Melbourne, 10 September.

Mavromaras K. 2009. 'An Analysis of the Differential Impacts of Overskilling: Is Vocational Education a Safer Route?', New Zealand Association of Economists Conference, Wellington, New Zealand, 1–3 July.

Mavromaras K. 2009. 'Skill Mismatch in the Labour Market: Is Vocational Education a Safer Option?', NCVET No Frills Conference, University of Ballarat, 8–10 July.

Palangkaraya A. 2009. 'Hospital Competition, Technical Efficiency, and Quality', Seminar, Victorian Department of Human Services, Melbourne, 3 March.

Palangkaraya A. 2009. 'Metrics on Knowledge Transfer Activities in Australian Universities', Knowledge Commercialisation Australia Annual Conference: Excellence in Knowledge Transfer, Melbourne, 23–25 November.

Palangkaraya A. 2009. 'Misclassification in Patent Office Examinations: Evidence from a Matched Sample of Applications', 7th International Industrial Organization Conference, Northeastern University, USA, 3–5 April; Seminar, Department of Economics, Oregon State University, USA, 8 April.

Polidano C. 2009. 'A Comparative Study on the Wellbeing of DVA and Centrelink Pensioners', Department of Veteran Affairs Applied Research Seminar Series, Canberra, 11 March.

Polidano C. 2009. 'Employment Outcomes from VET for People with Disabilities', Microeconomic Workshop, University of Melbourne, 20 May; NCVET No Frills Conference, University of Ballarat, 8–10 July; Seminar, RMIT School of Economics, Finance and Marketing, 25 September; Australian Conference of Economists, Adelaide, 28–30 September.

Polidano C. 2009. 'The Role of Vocational Education and Training in the Labour Market: Outcomes of People with Disabilities', DEEWR Social Policy Research Services Workshop: Social Inclusion and Disadvantage, Canberra, 11–12 November.

- Schurer S. 2009. 'Health Shock, Labour Supply, and Personality: A Latent Class Analysis of Australian Panel Data', Melbourne Institute Workshop Series, 9 June; iHEA 7th World Congress, Beijing, China, 12–15 July; Seminar, Queensland University of Technology, 3 August.
- Schurer S. 2009. 'How Real Is the Relative Income Hypothesis?', Microeconometrics Workshop, University of Melbourne, 25 March; 15th International Conference on Panel Data, Bonn, Germany, 3–5 July; Wellbeing and Mental Health Workshop, Deakin University, 27 August.
- Schurer S. 2009. 'More Gain, Less Pain? An Investigation of the Income Gradient of Pain', Seminar, Health, Econometrics and Data Group, University of York, UK, 17 June; Seminar, Chair of Empirical Economics, University of Munich, Germany, 22 June; Seminar, Research School of Social Sciences, Australian National University, 7 August; Seminar, Deakin University, 9 September; Melbourne Institute Workshop Series, 22 September; 31st Australian Conference of Health Economists, Hobart, 1–2 October.
- Schurer S. 2009. 'Reforming Physician Payment to Improve Quality of Care: Evidence from Australia's Practice Incentive Program', Melbourne Institute Health Economics Workshop, 11 February.
- Scott A. 2009. 'Baseline Cohort of the "Medicine in Australia: Balancing Employment and Life" (MABEL) Longitudinal Study', General Practice and Primary Health Care Research Conference, Melbourne, 15–17 July; 6th Health Services and Policy Research Conference, Brisbane, 25–26 November.
- Scott A. 2009. 'Challenges for Health Care Reform', Economic and Social Outlook Conference: The Road to Recovery: Restoring Prosperity After the Crisis, Melbourne, 5–6 November; Melbourne Institute Public Economics Forum, Canberra, 23 November.
- Scott A. 2009. 'Getting Doctors into the Bush: Preferences for Rural Location of General Practitioners', Melbourne Institute Workshop Series, 29 September; 31st Australian Conference of Health Economists, Hobart, 1–2 October; Seminar, Department of General Practice, University of Melbourne, 9 December.
- Scott A. 2009. 'Health Economics', Trauma Melbourne 2009 – Research Methods and Practice Workshop, Melbourne, 19 November.
- Scott A. 2009. 'MABEL (Medicine in Australia: Balancing Employment and Life) Longitudinal Survey: Results for Surgeons', Royal College of Surgeons – Victorian Annual General Scientific & Fellowship Meeting, Lorne, 23–25 October.
- Scott A. 2009. 'Paying Providers to Improve Quality of Care: Issues and Evidence', 3rd Annual AMREP Global Health Forum, Monash University, 7 April.
- Scott A. 2009. 'The Effect of an Incentive Program for General Practitioners on Quality of Care in Diabetes Management', Seminar, Department of Economics, University of Queensland, 31 July.
- Scott A. 2009. 'The National Evaluation of Payment by Results in England: Results and Lessons Learned', Activity Based Funding Summit, Brisbane, 27–28 July.
- Scott A. 2009. 'Using Discrete Choice Experiments in Health Care', Seminar, Deakin Health Economics Group, Deakin University, Melbourne, 27 October.
- Scott A. 2009. 'Using Financial Incentives to Improve the Quality of Primary Care in Australia', APHCRI Reporting Stream, 6th Health Services and Policy Research Conference, Brisbane, 25–26 November.
- Scott A. 2009. 'What Do Nurses Value about Their Work? Using Evidence to Inform Nursing Workforce Policy', Royal Australian College of Nurses Annual Conference, Melbourne, 2–4 September.
- Scutella R. 2009. 'Developing an Overall Framework/Principles for a SIA: Can an Index of Social Inclusion/Exclusion Be Developed to Aid this Process?', Social Inclusion Research Forum, University of Melbourne, 25–26 June.
- Scutella R. 2009. 'Development of Poverty Measures in Australia', Edgar Dunn and Co Risk Managers Roundtable Group, Melbourne, 21 May.
- Scutella R. 2009. 'Estimates of Poverty and Social Exclusion in Australia: A Multidimensional Approach', Economic and Social Outlook Conference: The Road to Recovery: Restoring Prosperity After the Crisis, Melbourne, 5–6 November; DEEWR Social Policy Research Services Workshop: Social Inclusion and Disadvantage, Canberra, 11–12 November.
- Scutella R. 2009. 'Is Career Advancement Important to Disadvantaged Jobseekers? Analysis of a Large Scale Australian Survey', Australian Social Policy Conference: An Inclusive Society? Practicalities and Possibilities, University of New South Wales, 8–10 July.
- Scutella R. 2009. 'The Australian Government's Social Inclusion Agenda: A New Approach to an Old Problem', St Vincent De Paul Society Ozanam Lecture, Melbourne, 21 May.
- Sivey P. 2009. 'A Multiproduct Cost Function to Analyse the Effect of Financial Incentives on Output Substitution in Primary Care', iHEA 7th World Congress, Beijing, China, 12–15 July.
- Sivey P. 2009. 'What Influences the Choice of Specialty of Young Doctors? A Discrete Choice Experiment from the MABEL Longitudinal Survey of Doctors', Melbourne Institute Workshop Series, 29 September; 31st Australian Conference of Health Economists, Hobart, 1–2 October.
- Stierwald A. 2009. 'A Multi-Level Model of Firm Profitability', Melbourne Institute Workshop Series, 17 March.
- Stierwald A. 2009. 'Determinants of Firm Profitability – The Effect of Productivity and Its Persistence', Econometric Society Australasian Meeting, Canberra, 8–10 July.
- Stierwald A. 2009. 'Firm Profitability and Its Determinants', Les 26èmes Journées de Microéconomie Appliquée, Dijon, France, 4–5 June.
- Sun C. 2009. 'An Introduction to the HILDA Survey', Presentation for Delegations from Department of Human Resources and Social Security, Ministry of Finance, People's Republic of China, Melbourne, 24 November.

- Thomson R. 2009. 'The GFC and Its Consequences for Innovation and IP Applications', Australian Federation of Intellectual Property Attorneys, 2009 Annual General Meeting, Sydney, 28–30 August.
- Tseng Y. 2009. 'Wage Transitions of Apprentices', DEEWR Social Policy Research Services Workshop: Social Inclusion and Disadvantage, Canberra, 11–12 November.
- Tsiaplias S. 2009. 'The Interest Rate Setting Behaviour Bank: Evidence from Australia and the US', 14th Finsia-MCFS Banking and Finance Conference, University of Melbourne, 28–29 September.
- Watson N. 2009. 'Challenges and Insights from Overlapping Seams in the HILDA Survey', XXV International Methodology Symposium: Longitudinal Surveys: From Design to Analysis, Ottawa, Canada, 27–30 October.
- Watson N. 2009. 'Disentangling Overlapping Seams: The Experience of the HILDA Survey', HILDA Survey Research Conference, University of Melbourne, 16–17 July.
- Watson N. 2009. 'Weighting in Longitudinal Surveys', ARACY/FaHCSIA Longitudinal Methods Workshop – Maximising the Value of Longitudinal Studies for Policy and Science: Methodological and Analysis Issues, Canberra, 12–13 November.
- Webster E. 2009. 'Do Australian Companies Value Trade Marks and Designs? A Look at the Evidence', IPRIA Public Seminar, Adelaide, 24 August; Perth, 25 August.
- Webster E. 2009. 'Do Patents Matter for Commercialization?', 7th International Industrial Organisation Conference, Boston, USA, 2–3 April; Business School, University of Auckland, New Zealand, 26 May; 4th Annual Conference of the European Policy for Intellectual Property Association, Bologna, Italy, 24–25 September.
- Webster E. 2009. 'Economic Principles of Encouraging Innovation – Research Exemptions under Patent Law', BHERT Medical Innovation Forum, Griffith University, Gold Coast, 11–12 June.
- Webster E. 2009. 'Patent Infringement in Australia: Results from a Survey', IP Australia Seminar, Canberra, 21 May; IPRIA Public Seminar, Melbourne, 9 June; Adelaide, 24 August; Perth, 25 August; Brisbane, 10 June.
- Webster E. 2009. 'Promoting Innovation', Economic and Social Outlook Conference: The Road to Recovery: Restoring Prosperity After the Crisis, Melbourne, 5–6 November.
- Webster E. 2009. 'The Innovation Imperative – Economic Survival and Our Creative Future', Future Summit Panel Discussion, Australian Davos Connection Limited, Melbourne, 18 May.
- Webster E. 2009. 'The Role of Independent Research in Shaping and Informing the IP System', Presentations to Delegation from the Chinese Provincial Offices, Melbourne, 13 March; Delegation from the Provincial IP Offices, Melbourne, 2 December; Delegation from the Chinese State IP Office (Beijing), Melbourne, 15 December.
- Webster E. 2009. 'Waking Up Innovation', Australian Davos Connection Australian Leadership Retreat, Hayman Island, 28–30 August.
- Webster E. 2009. 'What Does Economics Say about Intellectual Property?', Alumni Lecture Series, Faculty of Economics and Commerce, University of Melbourne, 2 September.
- Webster E. 2009. 'What Happened to Australian Inventions? 1986–2005', IPRIA and Australian Institute for Commercialisation Conference: Commercialising Inventions: What's the Story?, Brisbane, 17 February; Melbourne, 19 February.
- Wilkins R. 2009. 'Does Part-Time Employment Help or Hinder Lone Mothers' Movements into Full-Time Employment?', Melbourne Institute Workshop Series, 8 October.
- Wilkins R. 2009. 'Evaluation of Active Labour Market Programs in Australia', DEEWR Social Policy Research Services Workshop: Social Inclusion and Disadvantage, Canberra, 11–12 November.
- Wilkins R. 2009. 'The Household, Income and Labour Dynamics in Australia (HILDA) Survey', GSOEP – CNEF Users' Workshop, Cornell University, USA, 10–12 September.
- Wilkins R. 2009. 'Working Credits – A Low Cost Alternative to Universal Earned Income Tax Credits?', Melbourne Institute Workshop Series, 28 April; School of Economics Seminar Series, University of Wollongong, 30 April; European Society for Population Economics XXIII Annual Conference, Seville, Spain, 11–13 June.
- Williams R. 2009. 'Costs of Teaching and Learning in Australian Universities: Some Indicative Estimates', CSHE and L.H. Martin Institute Symposium, Analysing the Cost of Teaching and Learning in Higher Education, University of Melbourne, 30 November.
- Williams R. 2009. 'Rankings and Data Sources', Australian Financial Review Higher Education Conference, Sydney, 9–10 March.
- Wooden M. 2009. 'Household Debt in Australia: The Looming Crisis that Isn't', Melbourne Institute Public Economics Forum, Canberra, 10 June.
- Wooden M. 2009. 'Mixed and Multiple Collection Modes: The HILDA Survey Experience', XXV International Methodology Symposium: Longitudinal Surveys: From Design to Analysis, Ottawa, Canada, 27–30 October.
- Wooden M. 2009. 'Mixing Survey Modes: The HILDA Experience', Melbourne Institute Workshop Series, 14 October.
- Wooden M. 2009. 'The HILDA Survey: Progress and Future Developments', HILDA Survey Research Conference, University of Melbourne, 16–17 July.
- Wooden M. 2009. 'Wage Setting in Australia: A Very Short History', Young Liberal Movement of Victoria Policy Development Forum: Australia's Policy Future, Melbourne, 19 September.
- Wooden M. 2009. 'What Did We Learn from the Last Recession?', Unemployment and the Global Financial Crisis: Policy, Partnerships and Practice for Australia Conference, Melbourne, 1–2 December.
- Wooden M. 2009. 'What's Happening in the World of Work?', Skills Recognition Conference, Sydney, 25–26 May.



Professor Mark Wooden

Yong J. 2009. 'Hospital Competition, Technical Efficiency, and Quality', Seminar, Victorian Department of Human Services, Melbourne, 3 March.

Yong J. 2009. 'How Much Value Do Patents Add? Evidence from the Australian Inventor Survey', IPRIA Public Seminar, Adelaide, 1 October; Perth, 2 October; Melbourne, 6 November.

Yong J. 2009. 'On Defining Hospital Markets and the Effect of Competition on Quality: An Application Using Hospital Administration Data', Melbourne Institute Workshop Series, 31 March.

Yong J. 2009. 'On Defining Hospital Markets and the Effect of Competition on Quality: An Extension of Elzinga-Hogarty and an Application Using Hospital Administration Data', Australian Conference of Economists, Adelaide, 28–30 September.

Zakirova R. 2009. 'Income and Expenditure Mobility in Russia', Melbourne Institute Workshop Series, 7 December.

Professor Stephen Jenkins (Professor of Economics at the Institute for Social and Economic Research, University of Essex, UK) visited the Melbourne Institute as the 2009 Downing Fellow with the Faculty of Business and Economics. Professor Jenkins delivered the 2009 Downing Lecture and discussed the key features of income-age trajectories.

PUBLICATIONS BY SUBSCRIPTION



Melbourne Institute Journal

Australian Economic Review

The *Australian Economic Review* is an applied economics journal with a strong policy orientation. Biannual reviews of the Australian economy were a regular feature of the *Review* until the early 1990s. In 2009, this feature of the *Review* was reinstated in the belief that academic surveys and forecasts of the economy are useful adjuncts to those provided by government and the private sector. The surveys are prepared by the Applied Macroeconomics group in the Melbourne Institute led by Professor Guay Lim. The first survey was published in the March issue and its conclusion that the economic downturn would be relatively mild proved to be correct. For the first time in 2009, the *Review* was included in the ISI citation reports; the impact factor was 0.329. Downloads of articles are running at an annual rate of nearly 50,000.

A summary of the composition of the articles published in the *Review* over the past four years is given in Table 1. The established format of invited articles, contributed articles, a policy forum, a data survey and a section called 'For the Student' was continued. The global financial crisis was covered in two Policy Forums (Household Debt and Financial Regulation) and in Howard Davies' lecture on the role of central banks in the crisis. The page count of 506 was an increase over that of recent years. Table 2 provides information on the number of articles received and their disposition. There were 59 submissions, almost the same as in 2008. Over the four-year period 2006–2009, 27 per cent of the papers submitted were accepted for publication, with a further 4 per cent awaiting a decision. Papers not resubmitted within 18 months have been treated as withdrawn. The backlog of articles awaiting publication represents two issues.

Table 1 Published Articles, 2006 to 2009

Type of article	2006	2007	2008	2009
Invited Article	3	2	2	4
Contributed Article	15	14	16	15
Policy Forum	17	18	20	17
Data Survey	4	4	3	3
For the Student	4	4	4	4
Page total	456	470	455	506

Table 2 Submissions, 2006 to 2009^a

Contributed papers	2006	2007	2008	2009
Brought forward from the previous year ^b	26	26	29	30
New submissions during the year	68	50	61	59
Total	94	76	90	89
Decisions made				
Accepted: published	15	14	16	15
Accepted: in queue	5	8	10	7
Rejected/withdrawn	53	33	44	58
Resubmit	7	9	7	4
In process	14	12	13	5
Total	94	76	90	89

Notes: (a) Contributed articles only. (b) Sum of acceptances in the queue, re-submissions and articles in process.

Melbourne Institute Economic and Social Indicators

Westpac – Melbourne Institute Indexes of Economic Activity

Published monthly, this report presents and examines movements in leading and coincident indicators of economic activity in Australia, together with comparative data from overseas. Indexes of economic activity are designed to enhance the decision-making process of financial and business managers and policy makers by anticipating and identifying turning points in the economy. Each index blends several variables which reflect different aspects of the economy; their combination is intended to give a more representative picture than would any one variable by itself.

Westpac – Melbourne Institute Survey of Consumer Sentiment

The Consumer Sentiment Index is an average of five component indexes which reflect consumers' evaluations of their household financial situation over the past year and the coming year, anticipated economic conditions over the coming year and the next five years, and buying conditions for major household items. This report is produced monthly.

Westpac – Melbourne Institute Survey of Consumer Sentiment: NSW, Victoria, Queensland, Western Australia, South Australia

Each month we present the same consumer sentiment data as above in relation to New South Wales, Victoria, Queensland, Western Australia and South Australia.

Westpac – Melbourne Institute Survey of Consumer Unemployment Expectations

This report is concerned with consumers' views about whether unemployment would be more, the same or less in the coming 12 months. The Unemployment Expectations Index was first compiled in September 1974, on a quarterly basis. It became a monthly series in June 1993.

Melbourne Institute Survey of Consumer Inflationary Expectations

The measure of consumer inflationary expectations captures the average

householder's expected rate of consumer price changes over the coming 12 months. This survey produces a direct measure of inflationary expectations as consumers are asked whether, and by how much, they believe prices will go up or down. This report is produced monthly.

Melbourne Institute Wages Report

This report records employees' (self-reported) wage changes over the previous 12-month period and their expected wages in the year ahead. It adds to our knowledge about wages and complements the ABS labour cost index. This report is produced quarterly.

Melbourne Institute Household Saving and Investment Report

This survey-based report contains information about households' current and future saving behaviour, their reasons for saving, and the structure of household assets and debts. This report is produced quarterly.

The Global Proxy – Melbourne Institute Shareholder Confidence Index™

The Global Proxy – Melbourne Institute Shareholder Confidence Index™ is a summary balance measure of shareholders' confidence in the Australian share market. It is based on shareholders' assessments of three factors: returns, volatility and trading intentions (whether to buy or sell). Information from these factors are summarised and presented as component indices. The components are then compiled into the Shareholder Confidence Index. The first survey was conducted in March 2009. Each survey is conducted over the telephone and the results are based on 1600 respondents aged 18 years and over across Australia who directly own shares in companies listed on the Australian Stock Exchange. The report is published quarterly.

TD Securities – Melbourne Institute Monthly Inflation Gauge

Based on the ABS methodology for calculating the quarterly consumer price index, this publication estimates month-to-month price movements for a wide-ranging basket of goods and services across the main capital cities of Australia. This report is produced monthly.



Melbourne Institute Monthly Bulletin of Economic Trends

This report provides forecasts of the state of the Australian economy. Variables forecasted include GDP growth, consumption, the unemployment rate, inflation, the 90-day bill rate and the exchange rate. The forecasts are generated using econometric techniques which combine both historical information and forward information contained in, for example, consumer expectations, leading indexes of economic activity, and financial futures. The monthly updates of forecasts for the ensuing four quarters provide information in advance of official quarterly data.

Poverty Lines: Australia

Poverty Lines: Australia is a quarterly newsletter that updates the Henderson Poverty Line as defined in the 1973 Commonwealth Commission of Inquiry into Poverty. It is standard reference material for those concerned with social welfare policy in Australia. Minimum income levels required to avoid a situation of poverty are presented for a range of family sizes and circumstances. The updated poverty lines take into account changes in the average income level of all Australians, reflecting the idea that poverty is relative. Each issue includes a table indicating changes in the purchasing power of the poverty lines and a table comparing welfare payment levels with poverty lines for various family types.



Other Melbourne Institute Publications

Household, Income and Labour Dynamics in Australia (HILDA) Survey Annual Report 2009

The Household, Income and Labour Dynamics in Australia (HILDA) Survey is Australia's major nationally representative household panel survey. This report summarises activity undertaken on the HILDA Survey project during 2009.

Families, Incomes and Jobs, Volume 4: A Statistical Report on Waves 1 to 6 of the HILDA Survey

The aim of the Household, Income and Labour Dynamics in Australia (HILDA) Survey is to provide, on an annual basis, a new type of social statistics for Australia — longitudinal panel statistics describing the ways in which people's lives are changing. This annual statistical report of the HILDA Survey contains short reports and statistical tables covering the four main areas of HILDA: households and family life, incomes and wealth, employment and unemployment/joblessness, and life satisfaction and well-being. Particular emphasis is given to the persistence of problems over the first six years of the HILDA Survey (for example, the persistence of poverty over six years).

R&D and Intellectual Property Scoreboard 2007

This publication is the most comprehensive assessment to date of the innovative

activities of large Australian enterprises. It provides an invaluable information source for benchmarking and competitor analysis. The innovative activities covered by the report include the latest available information on the level of R&D and applications for intellectual property. The report includes an innovation index, ranking Australia's most innovative firms; R&D expenditure and intensity rankings for parent companies; the level and intensity of intellectual property applications for parent companies; and industry listings.

Australian Patent Applications Scoreboard 2008

The *Australian Patent Applications Scoreboard* is a comprehensive collection of data about the number of patent applications made in Australia each year. It provides a useful reference across a number of disciplines and industries. The Scoreboard is a useful tool for enterprises that facilitate the commercialisation of research projects. For example, it allows users to see at a glance the areas of technology where patent activity is highest in 2007, and activity going back ten years.

IBM® – Melbourne Institute Innovation Index of Australian Industry 2009

The *IBM® – Melbourne Institute Innovation Index of Australian Industry* tracks patterns in the rate of innovative activity among Australian businesses (including government trading enterprises but not the non-trading government sector) since 1990. It includes the intensity of innovations in relation to goods and services, technical

operations, and organisational, managerial and marketing functions. The third edition was published in 2009.

PricewaterhouseCoopers Melbourne Institute Asialink Index 2009

The PricewaterhouseCoopers Melbourne Institute Asialink Index measures the level of engagement between Australia and Asia over the period 1990–2008 along seven dimensions: trade, investment, tourism, education, research and business development, humanitarian assistance, and migration. The second edition was published in 2009.

Melbourne Institute Working Paper Series

The Melbourne Institute working papers are indicative of research projects undertaken at the Melbourne Institute. In 2009, 26 working papers were produced.

Melbourne Institute Reports

The Melbourne Institute publishes ad hoc reports on important economic and social topics investigated by Melbourne Institute researchers.

Melbourne Institute News

This quarterly newsletter was introduced in late 1999 to keep people abreast of various developments at the Melbourne Institute. Articles cover a range of items from the four major research programs, the HILDA Survey, the MABEL Survey, conferences, forums and seminars.



MABEL Matters

This newsletter was introduced in 2009 to inform people about developments in the MABEL (Medicine in Australia: Balancing Employment and Life) project. The latest newsletters (one each for GPs, specialists, doctors enrolled in specialty training programs, and interns and medical officers) contain results from the first wave of the MABEL longitudinal survey of doctors.

FINANCE AND PERFORMANCE INDICATORS

	2005	2006	2007	2008	2009
INCOME					
Non-University funds made up of:	\$8,506,488	\$9,051,614	\$10,624,303	\$11,719,127	\$11,654,112
Subscription services	\$137,366	\$134,806	\$221,663	\$266,726	\$257,309
Forums/conferences	\$228,197	\$264,478	\$132,722	\$437,358	\$440,298
Contract research	\$7,728,851	\$7,931,174	\$9,366,250	\$9,620,507	\$8,768,068
Grants	\$412,074	\$721,156	\$903,668	\$1,394,536	\$2,188,437
Faculty of Business and Economics allocation	\$1,218,209	\$1,178,320	\$1,269,768	\$1,412,222	\$1,932,916
Other University funds	\$510,798	\$754,128	\$258,896	\$652,928	\$331,350
Total income	\$10,235,495	\$10,984,062	\$12,152,967	\$13,784,277	\$13,918,378
PERFORMANCE INDICATORS					
A. Staffing					
Melbourne Institute staff (as at December)	44	47	47	54	56
(total number)	7%	7%	0%	15%	4%
B. Research performance indexes					
1. Research income					
National competitive research grants	\$412,074	\$721,156	\$903,668	\$1,265,468	\$1,683,004
	37%	75%	25%	40%	33%
Other public research grants	\$6,535,050	\$7,931,174	\$8,063,052	\$7,766,596	\$7,460,480
	8%	21%	2%	-4%	-4%
Industry and other research funds	\$1,559,364	\$399,284	\$1,303,198	\$1,982,979	\$1,813,021
	17%	-74%	226%	52%	-9%
Total external research income	\$8,506,488	\$9,051,614	\$10,269,918	\$11,015,043	\$10,956,505
	10%	6%	13%	7%	-1%
2. Publications					
Refereed journal articles (weighted DIISR points)	34.0	22.4	29.1	31.4	29.25
	37%	-34%	30%	8%	-7%
Total publications (weighted DIISR points)	54.1	40.4	47.0	34.99	42.42
	77%	-25%	16%	-26%	21%
Refereed journal articles (count)	45	29	45	44	38
	80%	-36%	55%	-2%	-14%
3. Higher degree students					
Research higher degree students (full-time equivalent)	5	5	5	4.5	6
	0%	0%	0%	-10%	33%
Research higher degree completions	2	1	2	0	0
C. Indicators with respect to business, government and public policy debates					
1. Subscriptions to Melbourne Institute products (excluding <i>Australian Economic Review</i>)					
	277	305	278	239	273
	13%	10%	-9%	-14%	14%
2. Value of subscriptions and sponsorship ^a					
	\$615,756	\$781,587	\$780,474	\$855,881	\$786,252
	9%	27%	0%	10%	-8%
3. References to the Melbourne Institute in the media					
	2,479	2,483	2,208	2,701	3,641
	107%	0%	-11%	22%	35%
4. References to the Melbourne Institute in parliament					
	34	13	9	25	9
	183%	-62%	-31%	178%	-64%
D. Financial performance					
1. Total income					
	\$10,235,495	\$10,984,062	\$12,152,967	\$13,784,277	\$13,918,378
	6%	7%	11%	13%	1%

Note: (a) The value of sponsorships is counted in the above income table as contract research.

FURTHER INFORMATION

Melbourne Institute of Applied
Economic and Social Research

The University of Melbourne
Alan Gilbert Building
Parkville Victoria 3010 Australia

T: +61 3 8344 2100

F: +61 3 8344 2111

E: melb-inst@unimelb.edu.au

W: www.melbourneinstitute.com



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