

Parents' welfare receipt and their children's employment and education outcomes

Supplementary materials

August 2023

MEASURES

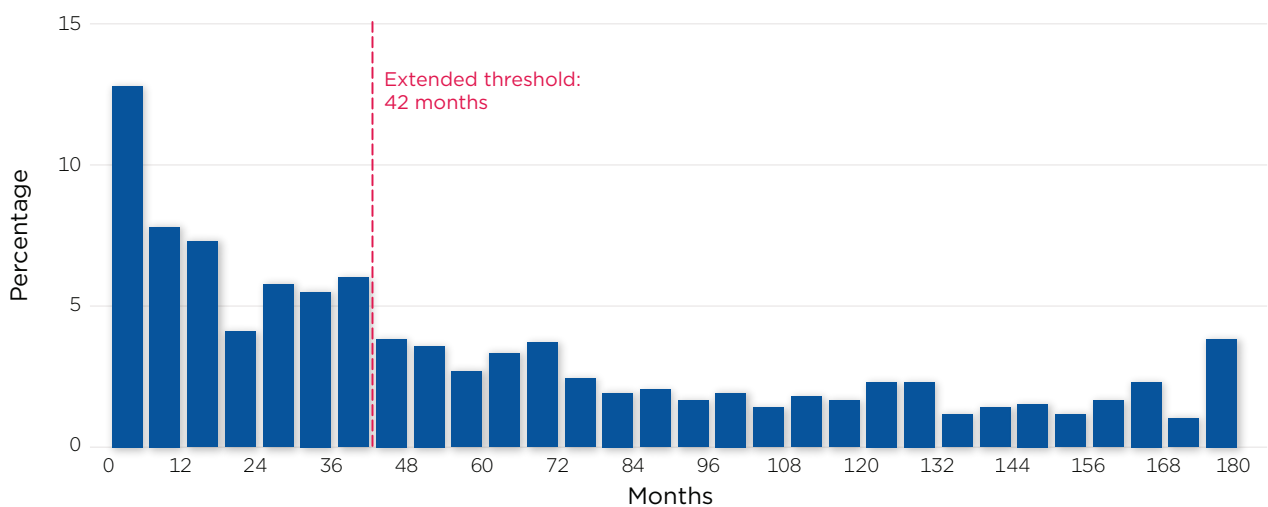
Welfare receipt

Information on the primary parent's welfare receipt is derived from episodic income support payment information from Centrelink. Due to data quality issues (described further below), episodes beginning after July 2002 were considered; information was available from consenting participants up until June 2017. A high proportion (83%) of primary parents consented to data linkage.

Parenting Payments (Single or Partnered) or Newstart Allowance (Jobseeker) were the types of income support payments this snapshot focuses on. Duration of welfare receipt was defined by the total number of months in which there was any receipt of these income support payments.

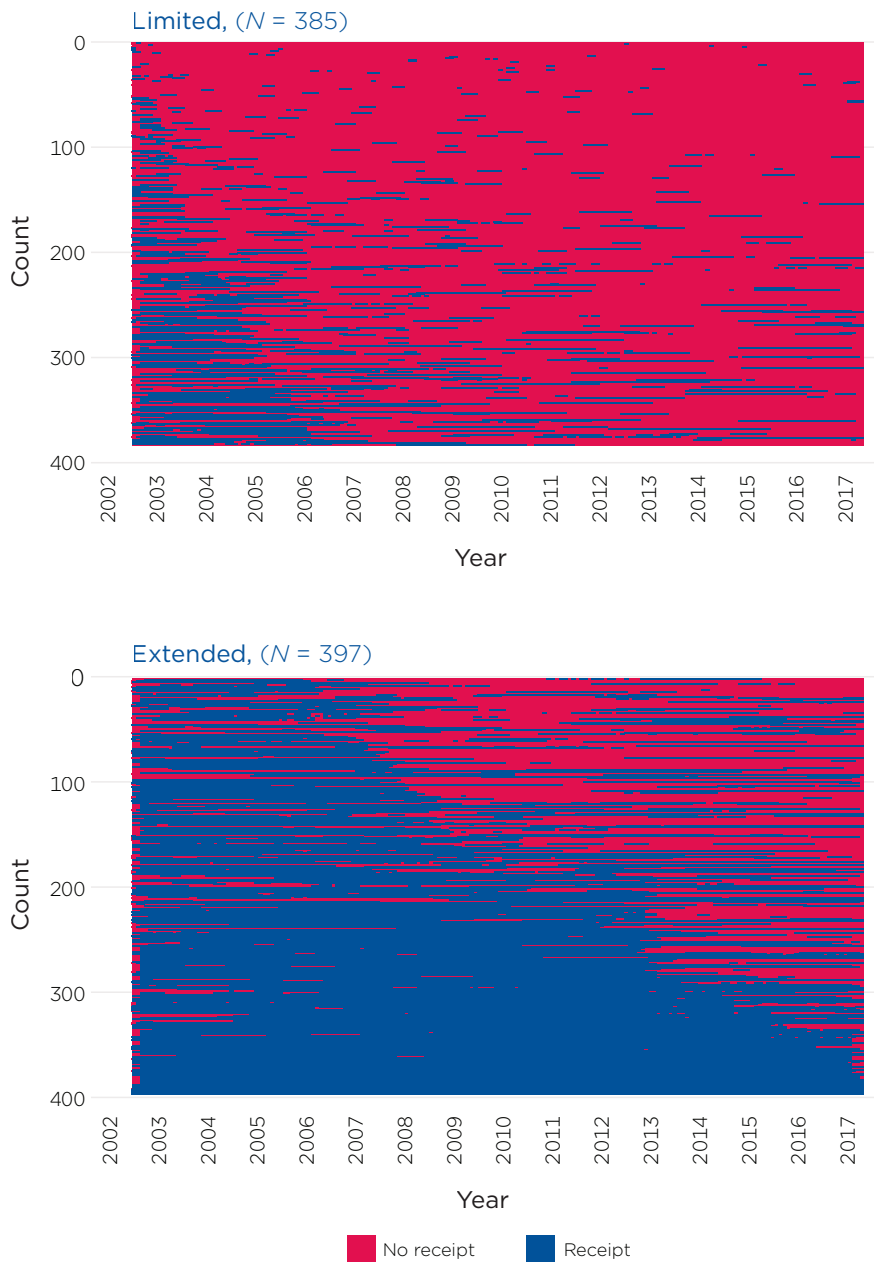
The median duration of receipt (among recipients) distinguishes between 'limited' and 'extended' welfare receipt. Thus, any receipt of welfare payments up to 42 months (3.5 years) is considered 'limited' receipt, and any receipt beyond 42 months is considered 'extended' receipt (Figure S1). Figure S2 displays the sequences of welfare receipt over the July 2002–June 2017 period by these groupings.

Figure S1: Distribution of total duration of primary parent's welfare receipt



Notes: Distribution of primary parent's total months (not necessarily consecutive) with any receipt of welfare across July 2002 to June 2017. Welfare payments include Parenting Payments (Single or Partnered), and Newstart Allowance (Jobseeker). Excludes individuals who never received welfare payments during this period. Values are unweighted. ($n = 782$)

Source: Centrelink income support payments information linked to the LSAC survey data

Figure S2: Sequence plot of primary parent's welfare receipt, monthly over July 2002–June 2017

Notes: Figure plots individual sequences of monthly receipt/non-receipt of welfare payments across July 2002 to June 2017. Welfare payments include Parenting Payments (Single or Partnered) and Newstart Allowance (Jobseeker). Values are unweighted. ($n = 782$)

Source: Centrelink income support payments information linked to the LSAC survey data

Not in education, employment or training

At age 18–19 the LSAC K cohort adolescents provided information about their employment or study activities via the survey's event history calendar. Measures of (non-)participation in study or work activities at the time of the survey were derived from these responses.

Socio-economic measures

Various socio-economic characteristics were used in the analysis – as these may moderate or be associated with the relationship between parental welfare receipt and the adolescent's NEET status.

Analyses account for the primary parent's gender, age and education (whether or not the parent attained a degree or even higher qualification).

For the adolescent, measures for gender, Aboriginal and Torres Strait Islander background and self-reported health were used. Physical health is measured through a global health measure, as the adolescent is asked 'In general, how is your health?'; the analyses in this snapshot distinguish 'Excellent', 'Very good', or 'Good' responses from 'Fair' or 'Poor' responses in a binary indicator. A measure of mental health is derived from the Strengths and Difficulties Questionnaire (SDQ) measure of emotional problems, with an indicator for scores above 5 (scores can range between 0 and 10).

The analyses also account for household measures: whether the primary parent was a single parent; the number of members in the household; whether the household resided in regional/remote areas (as opposed to in a major city); and a SEIFA index of education and occupation. This SEIFA index is designed to measure the levels of educational/occupational attainment in the community of residence, and is included in the analysis by tertiles (lowest third, middle third and highest third of index scores).

MODEL RESULTS

The analytical findings in this snapshot stem from a logistic regression model on NEET status at age 18-19, which controls for the primary parent's welfare receipt category (from information spanning July 2002-June 2017) and other measures collected through the LSAC survey described above.

Model results are presented in Table S1 with odds ratios (exponentiated coefficients) and 95% confidence intervals.

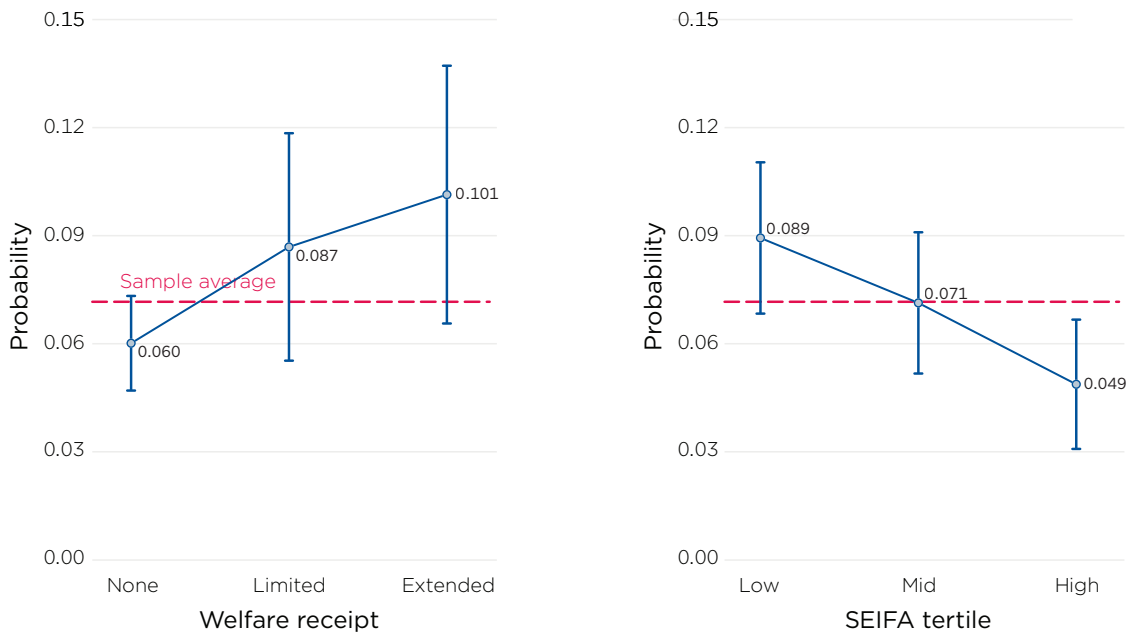
Table S1: Logistic model for binary outcome: NEET

Outcome: NEET	Odds ratio	95% CI
Welfare receipt:		
None	1.000	[1.000, 1.000]
Limited	1.506*	[0.925, 2.452]
Extended	1.799**	[1.087, 2.976]
SC female	0.566***	[0.390, 0.822]
Indigenous status = 1	1.662	[0.549, 5.034]
SC health: fair/poor	2.783***	[1.517, 5.108]
SDQ emotional problems at clinical levels	1.773***	[1.213, 2.593]
Primary parent is male	1.553	[0.857, 2.814]
Primary parent age	1.043***	[1.010, 1.078]
Primary parent university education	0.789	[0.531, 1.173]
Single parent	1.373	[0.883, 2.134]
Household size	1.107	[0.960, 1.276]
Regional/remote	0.951	[0.651, 1.387]
SEIFA tertile:		
Low	1.000	[1.000, 1.000]
Mid	0.776	[0.516, 1.167]
High	0.511***	[0.310, 0.844]
Constant	0.007***	[0.001, 0.045]
Observations	2,037	

Notes: Exponentiated coefficients indicate the odds ratio for each variable. * $p < 0.1$; ** $p < 0.05$; *** $p < 0.01$. ($n = 2,037$)

Figure S3 shows the predicted probabilities of being NEET by welfare receipt categories and SEIFA tertiles.

Figure S3: Predicted probabilities of being NEET, by welfare receipt (left) and SEIFA tertile (right)



Notes: Predicted probabilities estimated from marginal effects of the model in Table 2. ($n = 2,037$)

TAKING A GAP YEAR AT AGE 18-19

At a time when many young Australians are finishing their schooling, some young adults arrange to spend time outside of employment or education – a ‘gap year’ – before proceeding with other activities. Although this was not directly asked when the LSAC young adults were age 18-19, earlier waves of the survey had asked whether they had immediate plans to ‘take a break’ or to go ‘travelling’ after leaving school. ‘Yes’ responses to either question are considered (tentative) plans for a gap year.

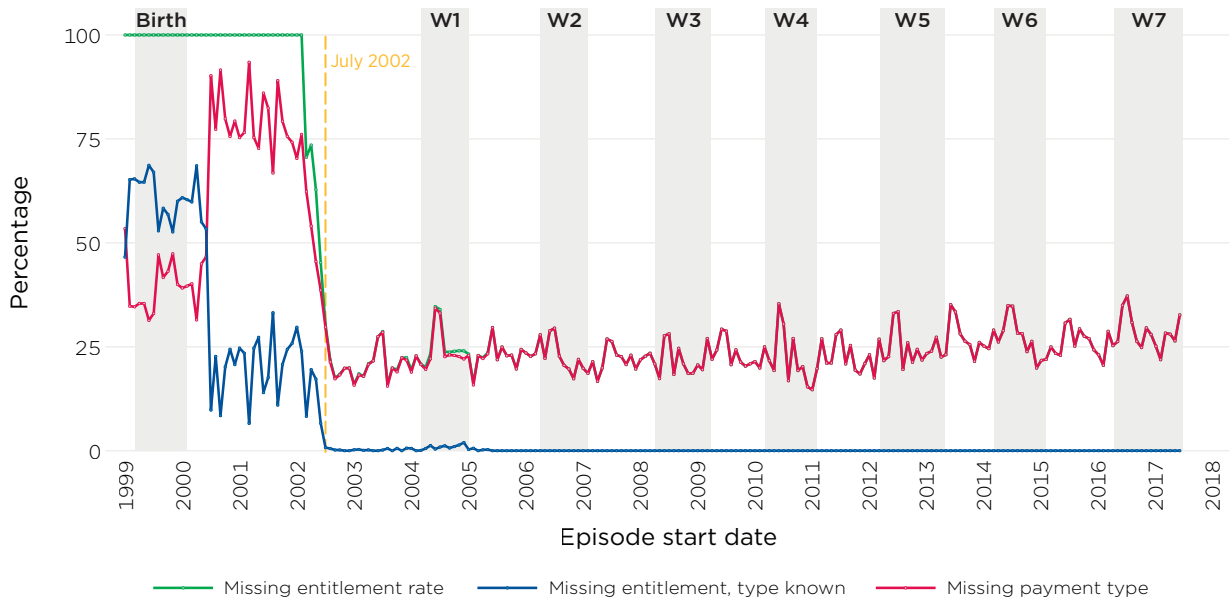
Around one in four LSAC adolescents had indicated in earlier survey waves that they planned to take a gap year. However, this was not correlated with NEET status in Wave 8, and the proportions of study children who had indicated plans for a gap year were similar and statistically indistinct whether they were in education/employment or not (25% and 24%, respectively). Using the available information in LSAC about gap year plans, there is little evidence to suggest that young adults who are NEET at age 18-19 are predominantly taking a gap year.

Adolescents growing up in families that received welfare payments were less likely (20%) to have tentative plans for a gap year than those from families that never received welfare payments (27%). This may reflect the lack of economic resources needed to afford a gap year.

LIMITATIONS WITH LINKED CENTRELINK DATA

Income support payment (ISP) data were available for LSAC primary parents for the period 1998–2017. Substantial missing data regarding ISP payment types and amounts (see Figure S4) greatly limit the analysis of payments before the 2002/03 financial year (beginning July 2002). Therefore, primary parent ISP data included in analyses for this snapshot were from July 2002 to June 2017.

Figure S4: Amount (%) of missing Centrelink income support payment data for LSAC Primary Parents, 1998–2017



Notes: Displays percentages of missing information by episode start date. Excludes individuals who never received welfare payments during this period. Values are unweighted. ($n = 1,362$)

Source: Centrelink income support payment information linked to the LSAC survey data

A very high proportion – 83% – of primary parents consented to linking their Centrelink records to the LSAC survey data, which is crucial to the analysis in this snapshot. Consent from the other parent (P2) was much lower, however, at 36%. This may also be a reflection of household structure, as single-headed households were significantly negatively correlated with P2's consent to Centrelink linkage.

The welfare receipt histories of both parents (where applicable) could be interesting to investigate. However, the lack of availability of P2 information greatly limits the extent of analysis that would be possible, and attempts to use the information that is available would result in a highly selected sample (e.g. underrepresenting single-headed households) and complicated comparison groups. Due to these substantial trade-offs, P2 information is beyond the scope of this snapshot but remains a possibility for future work.

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