SUMMARY

Table TA1. Identification of convergence clubs for K_{EDU}.

Clustering Algorithm Implementation Numerical values are $t_{\widehat{b_k}}$ statistics for each step in the algorithm				
Step 1: Ordering	Order the members of the panel according to their final values: $y_{1T} > y_{2T} > \cdots > y_{8T}$			
Step 2: Form core groups Cumulatively moving down. Optimal cut-off point criterion: $k^* = \mathrm{ArgMax}_k\{t_{\widehat{b_k}}\}$ subject to $\mathrm{Min}_k\{t_{\widehat{b_k}}\} > -1.65$		Iteration I	**Step 4: Recursion** Iteration II	Iteration III
	NT	(Base)	-	-
	ACT	**1.134052***	-	-
	WA	-0.27537	(Base)	-
	VIC	-4.15984	**-1.35435***	-
	QLD	-7.68086	-12.7246	(Base)
	SA	-10.8531	-14.6158	**3.902097***
	TAS	-15.7867	-12.2538	1.592484
	NSW	-17.0037	-16.127	-0.94618
	Core Group	NT+ACT	WA+VIC	QLD+SA
Step 3: Sieve Add one member at a time to Core Group. Keep member iff $t_{\widehat{b_k}} > c^*$, where $c^* = 0$ is adopted.	**NT**	-	-	-
	ACT	**1.134052***	-	-
	WA	-0.27537	-	-
	VIC	-4.57481	-	-
	QLD	-7.32363	-12.7246	-
	SA	-10.0224	-13.6608	-
	TAS	-17.5576	-9.55904	**1.592484***
	NSW	-12.5013	-24.5314	-0.94618
Final Cluster ("Club") Formations		**Club 1: NT+ACT**	**Club 2: WA+VIC**	**Club 3: QLD+NT+TAS Divergent: NSW**
Club-merging $t_{\widehat{b_k}}$		**Club 1 + Club 2: -4.15984 (Non-Convergent)** **Club 2 + Club 3: -12.2538 (Non-Convergent)**		

Table TA2. Identification of convergence clubs for K_{EDU} (reverse ordering algorithm).

Clustering Algorithm Implementation Numerical values are $t_{\widehat{b_k}}$ statistics for each step in the algorithm				
Step 1: Ordering	*Reverse*-order the members of the panel according to their final values: $y_{1T} < y_{2T} < \cdots < y_{8T}$			
Step 2: Form core groups Cumulatively moving down. Optimal cut-off point criterion: $k^* = \mathrm{ArgMax}_k\{t_{\widehat{b_k}}\}$ subject to $\mathrm{Min}_k\{t_{\widehat{b_k}}\} > -1.65$		Iteration I	**Step 4: Recursion** Iteration II	Iteration III
	NSW	(Base)	-	-
	TAS	**3.155399***	-	-
	-	-	-	-
	-	-	-	-
	-	-	-	-
	-	-	-	-
	-	-	-	-
	-	-	-	-
	Core Group	NSW+TAS		
Step 3: Sieve Add one member at a time to Core Group. Keep member iff $t_{\widehat{b_k}} > c^*$, where $c^* = 0$ is adopted.	NSW	-	-	-
	TAS	**3.155399***	-	-
	WA	-0.27537	-	-
	VIC	-4.57481	-	-
	QLD	-7.32363	-12.7246	-
	SA	-10.0224	-13.6608	-
	TAS	-17.5576	-9.55904	**1.592484***
	NSW	-12.5013	-24.5314	-0.94618
Final Cluster ("Club") Formations		Club 1: **NSW+TAS**		
Club-merging $t_{\widehat{b_k}}$		**-** **-**		

Table TA3. Identification of convergence clubs for K_{HEALTH}.

Clustering Algorithm Implementation Numerical values are $t_{\widehat{b_k}}$ statistics for each step in the algorithm				
Step 1: Ordering	Order the members of the panel according to their final values: $y_{1T} > y_{2T} > \cdots > y_{8T}$			
Step 2: Form core groups Cumulatively moving down. Optimal cut-off point criterion: $k^* = \mathrm{ArgMax}_k\{t_{\widehat{b_k}}\}$ subject to $\mathrm{Min}_k\{t_{\widehat{b_k}}\} > -1.65$		Iteration I	**Step 4: Recursion** Iteration II	Iteration III
	NT	**(Base)**	-	-
	ACT	**-6.50636**	-	-
	WA	**-1.37757***	-	-
	QLD	-2.89516	**(Base)**	-
	SA	-3.87038	**1.972055***	-
	VIC	-4.48631	1.229743	-
	NSW	-6.89913	-11.1218	**(Base)**
	TAS	-13.42	-39.7312	-2.01838
	Core Group	NT+ACT+WA	QLD+SA	-
Step 3: Sieve Add one member at a time to Core Group. Keep member iff $t_{\widehat{b_k}} > c^*$, where $c^* = 0$ is adopted.	**NT**	-	-	-
	ACT	-	-	-
	WA	-	-	-
	QLD	-2.89516	-	-
	SA	-3.46143	-	-
	VIC	-3.73756	**1.229743***	-
	NSW	-7.23232	-11.1218	-
	TAS	-18.4265	-39.2205	-2.26349
Final Cluster ("Club") Formations		**Club 1: NT+ACT+WA**	**Club 2: QLD+SA +VIC**	**Divergent: NSW, TAS**
Club-merging $t_{\widehat{b_k}}$		**Club 1 + Club 2: -4.48631 (Non-Convergent)**		

Table TA4. Identification of convergence clubs for K_{HEALTH} (reverse ordering algorithm).

Clustering Algorithm Implementation Numerical values are $t_{\widehat{b_k}}$ statistics for each step in the algorithm				
Step 1: Ordering	*Reverse*-order the members of the panel according to their final values: $y_{1T} < y_{2T} < \cdots < y_{8T}$			
Step 2: Form core groups Cumulatively moving down. Optimal cut-off point criterion: $k^* = \mathrm{ArgMax}_k\{t_{\widehat{b_k}}\}$ subject to $\mathrm{Min}_k\{t_{\widehat{b_k}}\} > -1.65$		Iteration I	**Step 4: Recursion** Iteration II	Iteration III
	TAS	(Base)	-	-
	NSW	-2.01838	-	-
	-	-	-	-
	-	-	-	-
	-	-	-	-
	-	-	-	-
	-	-	-	-
	-	-	-	-
	Core Group	NOT FOUND		
Step 3: Sieve Add one member at a time to Core Group. Keep member iff $t_{\widehat{b_k}} > c^*$, where $c^* = 0$ is adopted.	TAS	-	-	-
	NSW	-2.01838	-	-
		-	-	-
	-	-	-	-
	-	-	-	-
	-	-	-	-
	-	-	-	-
	-	-	-	-
Final Cluster ("Club") Formations		-	-	-
Club-merging $t_{\widehat{b_k}}$		-		

Table TA5. Identification of convergence clubs for $K_{TRANSPSS}$.

Clustering Algorithm Implementation Numerical values are $t_{\widehat{b_k}}$ statistics for each step in the algorithm				
Step 1: Ordering	Order the members of the panel according to their final values: $y_{1T} > y_{2T} > \cdots > y_{8T}$			
Step 2: Form core groups Cumulatively moving down. Optimal cut-off point criterion: $k^* = \mathrm{ArgMax}_k\{t_{\widehat{b_k}}\}$ subject to $\mathrm{Min}_k\{t_{\widehat{b_k}}\} > -1.65$		Iteration I	**Step 4: Recursion** Iteration II	Iteration III
	NT	(Base)	-	-
	QLD	-2.26349	-	-
	NSW	-6.5317	-	-
	WA	-7.61711	-	-
	ACT	-7.95709	-	-
	SA	-9.74954	-	-
	VIC	-10.3639	-	-
	TAS	-12.0259	-	-
	Core Group	Not found	-	-
Step 3: Sieve Add one member at a time to Core Group. Keep member iff $t_{\widehat{b_k}} > c^*$, where $c^* = 0$ is adopted.				
	NT	-	-	-
	QLD	-2.26349	-	-
	NSW	-5.37854	-	-
	WA	-8.13413	-	-
	ACT	-7.46747	-	-
	SA	-9.88123	-	-
	VIC	-9.0397	-	-
	TAS	-11.3956	-	-
Final Cluster ("Club") Formations		-	-	-
Club-merging $t_{\widehat{b_k}}$		-		

Table TA6. Identification of convergence clubs for $K_{TRANSPSS}$ (reverse ordering algorithm).

Clustering Algorithm Implementation Numerical values are $t_{\widehat{b_k}}$ statistics for each step in the algorithm				
Step 1: Ordering	*Reverse*-order the members of the panel according to their final values: $y_{1T} < y_{2T} < \cdots < y_{8T}$			
Step 2: Form core groups Cumulatively moving down. Optimal cut-off point criterion: $k^* = \mathrm{ArgMax}_k\{t_{\widehat{b_k}}\}$ subject to $\mathrm{Min}_k\{t_{\widehat{b_k}}\} > -1.65$		Iteration I	**Step 4: Recursion** Iteration II	Iteration III
	TAS	(Base)	-	-
	VIC	2.425074	-	-
	SA	**2.780117***	-	-
	ACT	2.35706	-	-
	WA	-9.61594	(Base)	-
	NSW	-12.4886	**0.597811***	-
	QLD	-19.8726	-7.49716	(Base)
	NT	-12.0259	-7.61711	-2.26349
	Core Group	TAS+VIC+SA	WA+NSW	-
Step 3: Sieve Add one member at a time to Core Group. Keep member iff $t_{\widehat{b_k}} > c^*$, where $c^* = 0$ is adopted.				
	TAS	-	-	-
	VIC	-	-	-
	SA	-	-	-
	ACT	**2.35706***	-	-
	WA	-9.61594	-	-
	NSW	-9.87983	-	-
	QLD	-17.5537	-7.49716	-
	NT	-9.24216	-7.50295	-2.26349
Final Cluster ("Club") Formations		**Club 1: TAS+VIC+SA +ACT**	**Club 2: WA+NSW**	**Divergent State(s): QLD, NT**
Club-merging $t_{\widehat{b_k}}$		**Club 1 + Club 2: -12.4886 (Non-Convergent)**		

Table TA7. Identification of convergence clubs for K_{UTIL}.

Clustering Algorithm Implementation Numerical values are $t_{\widehat{b_k}}$ statistics for each step in the algorithm				
Step 1: Ordering	Order the members of the panel according to their final values: $y_{1T} > y_{2T} > \cdots > y_{8T}$			
Step 2: Form core groups Cumulatively moving down. Optimal cut-off point criterion: $k^* = \mathrm{ArgMax}_k\{t_{\widehat{b_k}}\}$ subject to $\mathrm{Min}_k\{t_{\widehat{b_k}}\} > -1.65$		Iteration I	**Step 4: Recursion** Iteration II	Iteration III
	NT	(Base)	-	-
	SA	2.721	-	-
	TAS	**3.343***	-	-
	VIC	2.869	-	-
	WA	0.474	-	-
	QLD	0.499	-	-
	NSW	-0.927	-	-
	ACT	1.254	-	-
	Core Group	NT+SA+TAS	-	-
Step 3: Sieve Add one member at a time to Core Group. Keep member iff $t_{\widehat{b_k}} > c^*$, where $c^* = 0$ is adopted.				
	NT	-	-	-
	SA	-	-	-
	TAS	-	-	-
	VIC	**2.869***	-	-
	WA	**0.474***	-	-
	QLD	**0.499***	-	-
	NSW	-0.927	-	-
	ACT	**1.646***	-	-
Final Cluster ("Club") Formations		**Club 1: NT+SA+TAS +VIC+WA +QLD+ACT**	**Divergent: NSW**	-
Club-merging $t_{\widehat{b_k}}$		-		

Table TA8. Identification of convergence clubs for K_{UTIL} (reverse ordering algorithm).

Clustering Algorithm Implementation Numerical values are $t_{\widehat{b_k}}$ statistics for each step in the algorithm				
Step 1: Ordering	*Reverse*-order the members of the panel according to their final values: $y_{1T} < y_{2T} < \cdots < y_{8T}$			
Step 2: Form core groups Cumulatively moving down. Optimal cut-off point criterion: $k^* = \mathrm{ArgMax}_k\{t_{\widehat{b_k}}\}$ subject to $\mathrm{Min}_k\{t_{\widehat{b_k}}\} > -1.65$		Iteration I	**Step 4: Recursion** Iteration II	Iteration III
	ACT	**(Base)**	-	-
	NSW	**4.047102***	-	-
	QLD	3.851971	-	-
	WA	3.805163	-	-
	VIC	2.84829	-	-
	TAS	2.216254	-	-
	SA	1.870231	-	-
	NT	1.253861	-	-
	Core Group	ACT+NSW	-	-
Step 3: Sieve Add one member at a time to Core Group. Keep member iff $t_{\widehat{b_k}} > c^*$, where $c^* = 0$ is adopted.				
	ACT		-	-
	NSW		-	-
	QLD	**3.851971***	-	-
	WA	**3.805163***	-	-
	VIC	**2.84829***	-	-
	TAS	**2.216254***	-	-
	SA	**1.870231***	-	-
	NT	**1.253861***	-	-
Final Cluster ("Club") Formations		Club 1: **ACT+NSW+QLD+ WA+VIC+TAS +SA+NT**	-	-
Club-merging $t_{\widehat{b_k}}$		-		

Table TA9. Identification of convergence clubs for $\boldsymbol{K_{COMM}}$.

Clustering Algorithm Implementation Numerical values are $t_{\widehat{b_k}}$ statistics for each step in the algorithm				
Step 1: Ordering	Order the members of the panel according to their final values: $y_{1T} > y_{2T} > \cdots > y_{8T}$			
Step 2: Form core groups Cumulatively moving down. Optimal cut-off point criterion: $k^* = \mathrm{ArgMax}_k\{t_{\widehat{b_k}}\}$ subject to $\mathrm{Min}_k\{t_{\widehat{b_k}}\} > -1.65$		Iteration I	**Step 4: Recursion** Iteration II	Iteration III
	ACT	(Base)	-	-
	TAS	-8.19332	-	-
	NSW	-31.3014	-	-
	VIC	-28.7073	-	-
	SA	-27.1087	-	-
	NT	-16.1417	-	-
	QLD	-24.9056	-	-
	WA	-33.3261	-	-
	Core Group	Not found	-	-
Step 3: Sieve Add one member at a time to Core Group. Keep member iff $t_{\widehat{b_k}} > c^*$, where $c^* = 0$ is adopted.				
	ACT	-	-	-
	TAS	-8.19332	-	-
	NSW	-11.3309	-	-
	VIC	-9.68541	-	-
	SA	-14.5534	-	-
	NT	-15.3872	-	-
	QLD	-19.9355	-	-
	WA	-27.8476	-	-
Final Cluster ("Club") Formations		-	-	-
Club-merging $t_{\widehat{b_k}}$	-			

Table TA10. Identification of convergence clubs for $\boldsymbol{K_{COMM}}$ (reverse ordering algorithm).

Clustering Algorithm Implementation Numerical values are $t_{\widehat{b_k}}$ statistics for each step in the algorithm				
Step 1: Ordering	*Reverse*-order the members of the panel according to their final values: $y_{1T} < y_{2T} < \cdots < y_{8T}$			
Step 2: Form core groups Cumulatively moving down. Optimal cut-off point criterion: $k^* = \mathrm{ArgMax}_k\{t_{\widehat{b_k}}\}$ subject to $\mathrm{Min}_k\{t_{\widehat{b_k}}\} > -1.65$		Iteration I	**Step 4: Recursion** Iteration II	Iteration III
	WA	(Base)	-	-
	QLD	-9.21254	-	-
	NT	-10.5704	-	-
	SA	-17.7805	-	-
	VIC	-19.9347	-	-
	NSW	-31.9989	-	-
	TAS	-29.3152	-	-
	ACT	-33.3261	-	-
	Core Group	Not found	-	-
Step 3: Sieve Add one member at a time to Core Group. Keep member iff $t_{\widehat{b_k}} > c^*$, where $c^* = 0$ is adopted.				
	WA	-	-	-
	QLD	-9.21254	-	-
	NT	-9.65264	-	-
	SA	-37.4784	-	-
	VIC	-34.969	-	-
	NSW	-42.1619	-	-
	TAS	-30.3071	-	-
	ACT	-27.8476	-	-
Final Cluster ("Club") Formations		-	-	-
Club-merging $t_{\widehat{b_k}}$	-			

Table TA11. Identification of convergence clubs for $\boldsymbol{K_{ADMSFTY}}$

Clustering Algorithm Implementation Numerical values are $t_{\widehat{b_k}}$ statistics for each step in the algorithm				
Step 1: Ordering	Order the members of the panel according to their final values: $y_{1T} > y_{2T} > \cdots > y_{8T}$			
Step 2: Form core groups Cumulatively moving down. Optimal cut-off point criterion: $k^* = \mathrm{ArgMax}_k\{t_{\widehat{b_k}}\}$ subject to $\mathrm{Min}_k\{t_{\widehat{b_k}}\} > -1.65$		Iteration I	**Step 4: Recursion** Iteration II	Iteration III
	ACT	(Base)	-	-
	NT	-7.80069	-	-
	QLD	-16.1246	-	-
	SA	-17.1082	-	-
	NSW	-17.4551	-	-
	TAS	-18.5601	-	-
	VIC	-19.0262	-	-
	WA	-19.6325	-	-
	Core Group	Not found	-	-
Step 3: Sieve Add one member at a time to Core Group. Keep member iff $t_{\widehat{b_k}} > c^*$, where $c^* = 0$ is adopted.				
	ACT	-	-	-
	NT	-7.80069	-	-
	QLD	-16.1246	-	-
	SA	-17.1082	-	-
	NSW	-17.4551	-	-
	TAS	-18.5601	-	-
	VIC	-19.0262	-	-
	WA	-19.6325	-	-
Final Cluster ("Club") Formations		-	-	-
Club-merging $t_{\widehat{b_k}}$	-			

Table TA12. Identification of convergence clubs for $\boldsymbol{K_{ADMSFTY}}$. (reverse ordering algorithm).

Clustering Algorithm Implementation Numerical values are $t_{\widehat{b_k}}$ statistics for each step in the algorithm				
Step 1: Ordering	*Reverse*-order the members of the panel according to their final values: $y_{1T} < y_{2T} < \cdots < y_{8T}$			
Step 2: Form core groups Cumulatively moving down. Optimal cut-off point criterion: $k^* = \mathrm{ArgMax}_k\{t_{\widehat{b_k}}\}$ subject to $\mathrm{Min}_k\{t_{\widehat{b_k}}\} > -1.65$		Iteration I	**Step 4: Recursion** Iteration II	Iteration III
	WA	(Base)	-	-
	VIC	-5.29754	(Base)	-
	TAS	-2.27437	-2.12641	-
	NSW	-2.5769	-	-
	SA	-7.46095	-7.40314	-
	QLD	-18.8594	-19.5347	-
	NT	-20.3097	-20.1892	-
	ACT	-19.6325	-19.5426	-
	Core Group	Not found	-	-
Step 3: Sieve Add one member at a time to Core Group. Keep member iff $t_{\widehat{b_k}} > c^*$, where $c^* = 0$ is adopted.				
	WA	-	-	-
	VIC	-5.29754	-	-
	TAS	-1.5489	-2.12641	-
	NSW	**0.977263***	-3.01323	-
	SA	-2.56344	-13.3285	-
	QLD	-17.9351	-17.3076	-
	NT	-19.2187	-19.5651	-
	ACT	-18.6368	-18.8353	-
Final Cluster ("Club") Formations		**Club 1: WA+NSW**	**Divergent: VIC+TAS +SA+QLD+ NT+ACT**	-
Club-merging $t_{\widehat{b_k}}$	-			

Table TA13. Identification of convergence clubs for $\boldsymbol{L_{EDU}}$.

Clustering Algorithm Implementation Numerical values are $t_{\widehat{b_k}}$ statistics for each step in the algorithm				
Step 1: Ordering	Order the members of the panel according to their final values: $y_{1T} > y_{2T} > \cdots > y_{8T}$			
Step 2: Form core groups		Iteration I	**Step 4: Recursion** Iteration II	Iteration III
Cumulatively moving down. Optimal cut-off point criterion: $k^* = \mathrm{ArgMax}_k\{t_{\widehat{b_k}}\}$ subject to $\mathrm{Min}_k\{t_{\widehat{b_k}}\} > -1.65$	ACT	**(Base)**	-	-
	VIC	-5.81197	-	-
	NSW	-8.78224	-	-
	NT	-7.00541	-	-
	TAS	-13.3211	-	-
	SA	-14.3972	-	-
	QLD	-14.7487	-	-
	WA	-14.7619	-	-
	Core Group	NOT FOUND		
Step 3: Sieve Add one member at a time to Core Group. Keep member iff $t_{\widehat{b_k}} > c^*$, where $c^* = 0$ is adopted.	ACT	-	-	-
	VIC	-5.81197	-	-
	NSW	-8.90069	-	-
	NT	-5.55832	-	-
	TAS	-16.0966	-	-
	SA	-12.6989	-	-
	QLD	-10.7866	-	-
	WA	-7.88912	-	-
Final Cluster ("Club") Formations		-	-	-
Club-merging $t_{\widehat{b_k}}$		-		

Table TA14. Identification of convergence clubs for $\boldsymbol{L_{EDU}}$ (reverse ordering algorithm).

Clustering Algorithm Implementation Numerical values are $t_{\widehat{b_k}}$ statistics for each step in the algorithm				
Step 1: Ordering	*Reverse*-order the members of the panel according to their final values: $y_{1T} < y_{2T} < \cdots < y_{8T}$			
Step 2: Form core groups		Iteration I	**Step 4: Recursion** Iteration II	Iteration III
Cumulatively moving down. Optimal cut-off point criterion: $k^* = \mathrm{ArgMax}_k\{t_{\widehat{b_k}}\}$ subject to $\mathrm{Min}_k\{t_{\widehat{b_k}}\} > -1.65$	**WA**	**(Base)**		-
	QLD	**-0.91078***	-	-
	SA	-1.77969	**(Base)**	-
	TAS	-4.12653	**-1.89072**	-
	NT	-2.83882	**-0.55019**	-
	NSW	-2.54967	**0.420715***	-
	VIC	-2.3611	0.152426	-
	ACT	-14.7619	-14.3972	-
	Core Group	WA+QLD	SA+TAS+NT+NSW	-
Step 3: Sieve Add one member at a time to Core Group. Keep member iff $t_{\widehat{b_k}} > c^*$, where $c^* = 0$ is adopted.	WA	-	-	-
	QLD	-	-	-
	SA	-1.77969	-	-
	TAS	-3.85554	-	-
	NT	-1.3921	-	-
	NSW	-3.98671	-	-
	VIC	-4.52242	**0.152426***	-
	ACT	-9.74337	-14.3972	-
Final Cluster ("Club") Formations		**Club 1: WA+QLD**	**Club 2: SA+TAS+NT +NSW+VIC**	**Divergent: ACT**
Club-merging $t_{\widehat{b_k}}$		**Club 1 + Club 2: -2.3611 (Non-Convergent)**		

Table TA15. Identification of convergence clubs for $\boldsymbol{L_{HEALTH}}$.

Clustering Algorithm Implementation Numerical values are $t_{\widehat{b_k}}$ statistics for each step in the algorithm				
Step 1: Ordering	Order the members of the panel according to their final values: $y_{1T} > y_{2T} > \cdots > y_{8T}$			
Step 2: Form core groups		Iteration I	**Step 4: Recursion** Iteration II	Iteration III
Cumulatively moving down. Optimal cut-off point criterion: $k^* = \mathrm{ArgMax}_k\{t_{\widehat{b_k}}\}$ subject to $\mathrm{Min}_k\{t_{\widehat{b_k}}\} > -1.65$	**NT**	**(Base)**	-	-
	ACT	**4.111567***	-	-
	WA	2.934916	-	-
	SA	2.625401	-	-
	QLD	-0.1065	**(Base)**	-
	NSW	-1.98961	-2.43455*	-
	VIC	-4.71763	-8.57711	-
	TAS	-4.24371	-2.50732	-
	Core Group	NT+ACT		
Step 3: Sieve Add one member at a time to Core Group. Keep member iff $t_{\widehat{b_k}} > c^*$, where $c^* = 0$ is adopted.	**NT**	-	-	-
	ACT	-	-	-
	WA	**2.934916***	-	-
	SA	**2.625401***	-	-
	QLD	-0.1065	-	-
	NSW	-1.48029	-2.43455	-
	VIC	-4.27925	-5.2978	-
	TAS	-2.01771	-1.81226	-
Final Cluster ("Club") Formations		**Club 1: NT+ACT+WA+SA**		**DIVERGENT: QLD+NSW+ VIC+TAS**
Club-merging $t_{\widehat{b_k}}$		-		
		-		

Table TA16. Identification of convergence clubs for $\boldsymbol{L_{HEALTH}}$ (reverse ordering algorithm).

Clustering Algorithm Implementation Numerical values are $t_{\widehat{b_k}}$ statistics for each step in the algorithm				
Step 1: Ordering	*Reverse*-order the members of the panel according to their final values: $y_{1T} < y_{2T} < \cdots < y_{8T}$			
Step 2: Form core groups		Iteration I	**Step 4: Recursion** Iteration II	Iteration III
Cumulatively moving down. Optimal cut-off point criterion: $k^* = \mathrm{ArgMax}_k\{t_{\widehat{b_k}}\}$ subject to $\mathrm{Min}_k\{t_{\widehat{b_k}}\} > -1.65$	**TAS**	**(Base)**	-	-
	VIC	**2.762334***	-	-
	NSW	0.058705	-	-
	QLD	-2.50732	-	-
	-	-	-	-
	-	-	-	-
	-	-	-	-
	-	-	-	-
	Core Group	TAS+VIC		
Step 3: Sieve Add one member at a time to Core Group. Keep member iff $t_{\widehat{b_k}} > c^*$, where $c^* = 0$ is adopted.	TAS			
	VIC	-	-	-
	NSW	**0.058705***	-	-
	QLD	-2.50732		-
	-	-	-	-
	-	-	-	-
	-	-	-	-
	-	-	-	-
	-	-	-	-
Final Cluster ("Club") Formations		**Club 1: TAS+VIC+NSW**	-	**DIVERGENT: QLD**
Club-merging $t_{\widehat{b_k}}$		-		

Table TA17. Identification of convergence clubs for $\boldsymbol{L_{TRANSPSS}}$.

Clustering Algorithm Implementation Numerical values are $t_{\widehat{b_k}}$ statistics for each step in the algorithm				
Step 1: Ordering	Order the members of the panel according to their final values: $y_{1T} > y_{2T} > \cdots > y_{8T}$			
Step 2: Form core groups		Iteration I	**Step 4: Recursion** Iteration II	Iteration III
Cumulatively moving down. Optimal cut-off point criterion: $k^* = \mathrm{ArgMax}_k\{t_{\widehat{b_k}}\}$ subject to $\mathrm{Min}_k\{t_{\widehat{b_k}}\} > -1.65$	NT	(Base)	-	-
	WA	-2.71037	-	-
	QLD	-7.29815	-	-
	SA	-13.6145	-	-
	VIC	-17.3563	-	-
	NSW	-17.6615	-	-
	TAS	-20.1077	-	-
	ACT	-19.8334	-	-
	Core Group	Not found	-	-
Step 3: Sieve Add one member at a time to Core Group. Keep member iff $t_{\widehat{b_k}} > c^*$, where $c^* = 0$ is adopted.	NT			
	WA	-2.71037	-	-
	QLD	-7.42625	-	-
	SA	-13.5898	-	-
	VIC	-11.9956	-	-
	NSW	-13.6159	-	-
	TAS	-16.1815	-	-
	ACT	-11.1542	-	-
	NT		-	-
Final Cluster ("Club") Formations		-	-	-
Club-merging $t_{\widehat{b_k}}$	-			

Table TA18. Identification of convergence clubs for $\boldsymbol{L_{TRANSPSS}}$ (reverse ordering algorithm).

Clustering Algorithm Implementation Numerical values are $t_{\widehat{b_k}}$ statistics for each step in the algorithm				
Step 1: Ordering	*Reverse*-order the members of the panel according to their final values: $y_{1T} < y_{2T} < \cdots < y_{8T}$			
Step 2: Form core groups		Iteration I	**Step 4: Recursion** Iteration II	Iteration III
Cumulatively moving down. Optimal cut-off point criterion: $k^* = \mathrm{ArgMax}_k\{t_{\widehat{b_k}}\}$ subject to $\mathrm{Min}_k\{t_{\widehat{b_k}}\} > -1.65$	**ACT**	(Base)	-	-
	TAS	-2.46823	-	-
	NSW	**-1.57278***	-	-
	VIC	-1.58779	(Base)	-
	SA	-2.04109	**-0.53327***	-
	QLD	-6.40446	-8.14608	(Base)
	WA	-16.4023	-9.14795	-2.42575
	NT	-19.8334	-17.3563	-7.29815
	Core Group	ACT+TAS+NSW	VIC+SA	QLD
Step 3: Sieve Add one member at a time to Core Group. Keep member iff $t_{\widehat{b_k}} > c^*$, where $c^* = 0$ is adopted.	ACT	-	-	-
	TAS	-	-	-
	NSW	-	-	-
	VIC	-1.58779	-	-
	SA	-2.43886	-	-
	QLD	-6.762	-8.14608	-
	WA	-16.0912	-11.1546	-2.42575
	NT	-14.0793	-15.9272	-7.42625
Final Cluster ("Club") Formations		**Club 1: ACT+TAS+NSW**	**Club 2: VIC+SA**	**Divergent State(s): QLD,WA, NT**
Club-merging $t_{\widehat{b_k}}$	**Club 1 + Club 2: -2.04109 (Non-Convergent)**			

Table TA19. Identification of convergence clubs for $\boldsymbol{L_{UTIL}}$.

Clustering Algorithm Implementation Numerical values are $t_{\widehat{b_k}}$ statistics for each step in the algorithm				
Step 1: Ordering	Order the members of the panel according to their final values: $y_{1T} > y_{2T} > \cdots > y_{8T}$			
Step 2: Form core groups		Iteration I	**Step 4: Recursion** Iteration II	Iteration III
Cumulatively moving down. Optimal cut-off point criterion: $k^* = \mathrm{ArgMax}_k\{t_{\widehat{b_k}}\}$ subject to $\mathrm{Min}_k\{t_{\widehat{b_k}}\} > -1.65$	TAS	(Base)	-	-
	SA	-2.574	-	-
	NSW	-9.39971	-	-
	WA	-6.10327	-	-
	VIC	-12.2868	-	-
	NT	-8.3236	-	-
	QLD	-8.47318	-	-
	ACT	-10.0958	-	-
	Core Group	NOT FOUND	-	-
Step 3: Sieve Add one member at a time to Core Group. Keep member iff $t_{\widehat{b_k}} > c^*$, where $c^* = 0$ is adopted.	TAS		-	-
	SA	-2.574	-	-
	NSW	-12.6772	-	-
	WA	-2.53755	-	-
	VIC	-22.6221	-	-
	NT	-4.82909	-	-
	QLD	-5.3444	-	-
	ACT	-4.40262	-	-
Final Cluster ("Club") Formations		-	-	-
Club-merging $t_{\widehat{b_k}}$	-			

Table TA20. Identification of convergence clubs for $\boldsymbol{L_{UTIL}}$ (reverse ordering algorithm).

Clustering Algorithm Implementation Numerical values are $t_{\widehat{b_k}}$ statistics for each step in the algorithm				
Step 1: Ordering	*Reverse*-order the members of the panel according to their final values: $y_{1T} < y_{2T} < \cdots < y_{8T}$			
Step 2: Form core groups		Iteration I	**Step 4: Recursion** Iteration II	Iteration III
Cumulatively moving down. Optimal cut-off point criterion: $k^* = \mathrm{ArgMax}_k\{t_{\widehat{b_k}}\}$ subject to $\mathrm{Min}_k\{t_{\widehat{b_k}}\} > -1.65$	ACT	(Base)	-	-
	QLD	-5.82006	-	-
	NT	-4.97851	-	-
	VIC	-9.25384	-	-
	WA	-9.67629	-	-
	NSW	-9.36335	-	-
	SA	-9.856	-	-
	TAS	-10.0958	-	-
	Core Group	NOT FOUND	-	-
Step 3: Sieve Add one member at a time to Core Group. Keep member iff $t_{\widehat{b_k}} > c^*$, where $c^* = 0$ is adopted.	ACT		-	-
	QLD	-5.82006	-	-
	NT	-4.20543	-	-
	VIC	-5.18752	-	-
	WA	-3.53696	-	-
	NSW	-4.42036	-	-
	SA	-4.02417	-	-
	TAS	-4.40262	-	-
Final Cluster ("Club") Formations	-		-	-
Club-merging $t_{\widehat{b_k}}$	-			

Table TA21. Identification of convergence clubs for $L_{ADMSFTY}$.

Clustering Algorithm Implementation Numerical values are $t_{\widehat{b_k}}$ statistics for each step in the algorithm				
Step 1: Ordering	Order the members of the panel according to their final values: $y_{1T} > y_{2T} > \cdots > y_{8T}$			
Step 2: Form core groups		Iteration I	**Step 4: Recursion** Iteration II	Iteration III
Cumulatively moving down. Optimal cut-off point criterion: $k^* = \mathrm{ArgMax}_k\{t_{\widehat{b_k}}\}$ subject to $\mathrm{Min}_k\{t_{\widehat{b_k}}\} > -1.65$	ACT	(Base)	-	-
	NT	-17.5646	-	-
	QLD	-18.4608	-	-
	NSW	-18.2736	-	-
	SA	-17.4086	-	-
	TAS	-18.2965	-	-
	WA	-17.6454	-	-
	VIC	-18.6676	-	-
	Core Group	Not found	-	-
Step 3: Sieve				
Add one member at a time to Core Group. Keep member iff $t_{\widehat{b_k}} > c^*$, where $c^* = 0$ is adopted.	ACT	-	-	-
	NT	-17.5646	-	-
	QLD	-18.0048	-	-
	NSW	-18.4749	-	-
	SA	-16.7729	-	-
	TAS	-20.0933	-	-
	WA	-17.0285	-	-
	VIC	-21.1064	-	-
Final Cluster ("Club") Formations		-	-	-
Club-merging $t_{\widehat{b_k}}$		-		

Table TA22. Identification of convergence clubs for $L_{ADMSFTY}$. (reverse ordering algorithm).

Clustering Algorithm Implementation Numerical values are $t_{\widehat{b_k}}$ statistics for each step in the algorithm				
Step 1: Ordering	*Reverse*-order the members of the panel according to their final values: $y_{1T} < y_{2T} < \cdots < y_{8T}$			
Step 2: Form core groups		Iteration I	**Step 4: Recursion** Iteration II	Iteration III
Cumulatively moving down. Optimal cut-off point criterion: $k^* = \mathrm{ArgMax}_k\{t_{\widehat{b_k}}\}$ subject to $\mathrm{Min}_k\{t_{\widehat{b_k}}\} > -1.65$	**VIC**	(Base)	-	-
	WA	**1.343838***	-	-
	TAS	-5.79828	(Base)	-
	SA	-9.59772	-3.32405	-
	NSW	-9.58152	**0.049753***	-
	QLD	-11.3846	-0.72376	(Base)
	NT	-14.5265	-12.0191	-11.5247
	ACT	-18.6676	-18.2965	-18.4608
	Core Group	VIC+WA	TAS+SA+NSW	QLD
Step 3: Sieve				
Add one member at a time to Core Group. Keep member iff $t_{\widehat{b_k}} > c^*$, where $c^* = 0$ is adopted.	VIC	-	-	-
	WA	-	-	-
	TAS	-5.79828	-	-
	SA	-8.44511	-	-
	NSW	-10.1379	-	-
	QLD	-14.1428	-0.72376	-
	NT	-14.8413	-12.0264	-11.5247
	ACT	-19.1854	-18.9909	-18.0048
Final Cluster ("Club") Formations		**Club 1: VIC+WA**	**Club 2: TAS+SA+NSW**	**DIVERGENT: QLD+NT+ACT**
Club-merging $t_{\widehat{b_k}}$		**Club 1 + Club 2: -9.58152 (Non-Convergent)**		

Table TA23. Identification of convergence clubs for L_{COMM}.

Clustering Algorithm Implementation Numerical values are $t_{\widehat{b_k}}$ statistics for each step in the algorithm					
Step 1: Ordering	Order the members of the panel according to their final values: $y_{1T} > y_{2T} > \cdots > y_{8T}$				
Step 2: Form core groups		Iteration I	**Step 4: Recursion** Iteration II	Iteration III	Iteration IV
Cumulatively moving down. Optimal cut-off point criterion: $k^* = \mathrm{ArgMax}_k\{t_{\widehat{b_k}}\}$ subject to $\mathrm{Min}_k\{t_{\widehat{b_k}}\} > -1.65$	**NSW**	**(Base)**	-	-	-
		-	-	-	-
	VIC	**1.02674***			
	ACT	-1.82298	(Base)	-	-
	SA	-1.6752	**0.867965***	-	-
	WA	-4.87701	-0.69466	(Base)	-
	TAS	-4.76259	-0.33868	**0.785143***	-
	QLD	-4.97637	-0.78722	-0.15279	(Base)
	NT	-5.56949	-1.81884	-2.26154	-2.72689
	Core Group	NSW+VIC	ACT+SA	WA+TAS	-
Step 3: Sieve					
Add one member at a time to Core Group. Keep member iff $t_{\widehat{b_k}} > c^*$, where $c^* = 0$ is adopted.	NSW	-	-	-	-
	VIC	-	-	-	-
	ACT	-1.82298	-	-	-
	SA	-1.52758	-	-	-
	WA	-6.90007	-0.69466	-	-
	TAS	-3.17125	-0.1311	-	-
	QLD	-5.61995	-1.34679	-0.15279	-
	NT	-8.01229	-2.9238	-2.34562	-
Final Cluster ("Club") Formations		**Club 1: NSW+VIC**	**Club 2: ACT+SA**	**Club 3: WA+TAS**	**DIVERGENT: QLD+NT**
Club-merging $t_{\widehat{b_k}}$		**Club 1 + Club 2: -1.6752 (Non-Convergent)** **Club 2 + Club 3: -0.33868 (Convergent)**			