Bracket Creep, Effective Marginal Tax Rates and Alternative Tax Packages
A report by The Melbourne Institute in association with The Australian

By Hielke Buddelmeyer, Peter Dawkins, John Freebairn, and Guyonne Kalb[**].

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1. Introduction

With an election year, and with the windfall tax revenue gains from fiscal creep, it is likely that a big tax cut will be offered in the May, 2004, Federal Budget. Income tax brackets have not been fully adjusted for inflation over the last three years, and strong economic growth is generating more and more tax revenue.

This study has the following objectives:

- To estimate the amount of bracket creep that has occurred since the GST tax package.
- To examine the incidence of that bracket creep on families in different parts of the distribution of income.
- To provide an analysis of the distribution of effective marginal tax rates and the work incentives faced by low-income families.
- To explore alternative ways in which the government could hand back some of the bracket creep to increase work incentives.
- To cost a number of possible tax packages and evaluate their likely impact on labour supply and feedback effects on the budget.

Sections 2 and 3 focus on the extent of bracket creep since the ANTS package, and the distribution of effective marginal tax rates, respectively.

In analysing bracket creep we present four "scenarios". The first scenario relates to the actual system as it has developed since the ANTS package, and which is projected to continue forward without any further changes to the tax thresholds beyond the changes made in the 2003/04 budget. In order to gain insight in the extent and the effects of bracket creep, a second scenario is one where the introduction of ANTS would have been accompanied by a systematic indexing of the tax thresholds at the start of each budget cycle by the CPI increase over the previous budget cycle. A third scenario is identical to the second scenario, except that indexing is now based on increases in average weekly earnings (AWE) rather than CPI. Finally, the fourth and last scenario is one where there is no indexing of thresholds at all (that is, they are fixed at the 2000/01 levels).

Section 4 presents a range of possible tax cut proposals that all have upfront costs that are roughly equal to the dollar amount of bracket creep that has resulted from increases in CPI not having been matched by the raising of thresholds. The methodology used to simulate the different policies discussed in this report is described in the appendix.

It should be stressed that the alternative tax packages analysed, assume that the income tax base is not changed. There is a case, however, for broadening the income tax base. This is discussed in section 5.

2. Bracket Creep

2.1 The dollar costs of bracket creep

The definition of bracket creep is not simply people moving into higher tax brackets, rather it is about people facing higher average tax rates. For example, consider a

simple two bracket tax rate schedule with a zero rate threshold of $6000 and then a flat 20% marginal tax rate. Now, someone whose income rises by 10% from $30000 to $33000 just because of inflation finds their average tax rate rises from 16% ($4800 divided by $30000) to 16.4% ($5400 divided by $33000), although the real purchasing power of the pre-tax income has not changed. In fact, the failure to index tax brackets for inflation, or bracket creep, redistributes income from the private individuals to the government. It should be noted however that a portion of bracket creep could be the result of strong real wage growth. Bracket creep is defined as people moving into higher tax brackets purely because the tax thresholds are not (fully) adjusted for inflation, which means that at the same real income a larger proportion is paid in tax.

If the ANTS tax reform would have included a policy to annually index tax thresholds by the CPI (corrected in 2000/01 for increases due to the introduction of GST in the ANTS package,), then by 2005/6 the total personal income tax collected would be $3.8 billion lower than it would be if there were no further increases in the tax thresholds other than the ones that took place in the last 2003/04 budget. This amount is calculated from the difference in total income tax under the two systems (a cost of roughly 4.3 billion dollars for the government) and is then adjusted for the difference in total rebates (a saving of roughly half a billion for the government). This $3.8 billion is the dollar amount of bracket creep, expressed in first quarter 2004 dollars, and represents what it would cost to compensate the Australian tax payers for the extra amount of tax they would pay in 2005/06 *as a result of inflation* as measured by the CPI since 2000/2001.

2.2 The tax burden of bracket creep

The effect of not fully adjusting the tax thresholds for CPI increases can also be expressed in other ways (see table 1). The average income tax rate (AITR) for all Australians, computed as income tax net of rebates expressed as a percentage of gross income, is 15.9 per cent in 2005/06 assuming the current system will not be changed further and 15.1 per cent under a policy of CPI indexing of the thresholds, compared to 14.5 per cent at the time when ANTS was introduced in 2000/01. A policy of CPI indexing will not keep the average income tax rate constant as wages generally grow faster than the CPI, thereby causing people to move into higher tax brackets because their real incomes grow. We do not consider the latter to be bracket creep. A policy of indexing tax thresholds by average weekly earnings (AWE), rather than CPI, would keep the average income tax rate constant.

When examining the average income tax rate by income deciles (Table 4b) it is clear that the increase in AITR due to not (fully) indexing thresholds by CPI is largest *in relative terms* among those in the lowest income deciles.

To read Table 4b, consider someone in income decile 3. In 1999-2000, or before the ANTS reforms, their average tax rate was 11.96%. The ANTS reforms reduced the average income tax rate to 11.09%; but there also was a net increase in indirect taxes paid. The effect of nominal wage increase, and including the tax rate schedule changes for 2003-04, was for the average tax rate to rise to 11.73%. If all brackets had been indexed by the CPI the average tax rate would have risen only to 11.26%; with some increase because real wages rose. If there are no further changes to the tax rate

schedule over the next two years, the average tax rate is projected to rise to 12.81% in 2005-06, an increase of 1.72 percentage points or of 15.5%. By contrast, someone in decile 8 is projected to experience a rise in their average tax rate from 20.84% in 2000-01 to 23.01% in 2005-06, an increase of 2.17 percentage points but only a 10.45 increase in real tax paid.

2.3 Bracket creep and the distribution of individuals across the five tax brackets

A more detailed overview can be obtained by looking at the distribution of people over the different tax brackets. One can do that for the population as a whole (see tables 2, 17-24, or 26-30) or just for those people who pay positive net taxes (see tables 2_ATO, 25, or 31-35). When looking at the total Australian population, including [excluding] those paying no taxes, the per cent of people in the highest tax bracket under the current system is about 1.1 [1.7] percentage points higher today than under a system of CPI indexing - at 8.9 per cent and 7.8 per cent respectively [14.6 per cent and 12.9 per cent respectively]. By 2005/06 this number will have increased to 2.8 [4.5] percentage points, if no further changes to the tax threshold beyond the ones in the last 2003/04 budget are made (tables 2 and 2_ATO). To put these numbers in perspective, between 2000/01 and 2003/04, about 336 thousand people moved into the top two tax brackets as a result of inflation and not (fully) indexing the tax thresholds by the CPI. Another 500 thousand are expected to move up between 2003/04 and 2005/06 if tax thresholds remain at the level of the 2003/04 budget (tables 6-16).

3. Effective Marginal Tax Rates

3.1 Introduction

The existence of high effective marginal tax rates (EMTRs) in Australia has been frequently documented and is well known to be a direct result of the structure of the social security system[1]. The various benefits are targeted at those who need it, based on family income levels. This means that when families earn additional income some of their benefits are withdrawn, albeit not on a dollar for dollar basis. This also means that low-income families face high EMTRs, but low average income tax rates (see table 4), whereas the reverse holds for high-income families. For instance, looking only at heads of households of working age under the current actual tax system (Table 70), 21 per cent of those in the first income decile have EMTRs in excess of 50 per cent. 19 per cent have EMTRs in excess of 70 per cent. The situation in the second income decile is even worse with 31 per cent having EMTRs over 50 per cent and 27 per cent facing EMTRs in excess of 70 per cent. Across all deciles about 16 per cent have EMTRs in excess of 50 per cent and only 8 per cent are on EMTRs over 70 per cent.

[1] See for example, Whitlock (1994), Harding and Polette (1995), Ingles (1997) or Beer (2003).

3.2 EMTR profiles

EMTR profiles, although variable, do not change dramatically over time providing no big changes to the social security system are made. To examine the current situation, we take a closer look at the current year (2003/04) for four hypothetical families. For each couple we look at the head's EMTR profile conditional on the spouse not supplying labour to the market (figures A-J) and to the spouse's EMTR profile conditional on the head working 40 hours a week (figures C-spouse through J-spouse). The actual situation is compared with a situation in which there is full indexation of all tax brackets of the personal income tax rate schedule by the CPI or AWE or no indexation at all.

The four families we consider are:

	Sole Parent	Low-wage family	Average wage family	High-wage family
Number of children (under 13)	1	2	2	2
Hourly wage prime earner (Head)	$11.80	$11.80	$24	$48
Hourly wage secondary earner	-	$11.80	$18	$27

3.2.1 EMTRs for the head of household in a single-earner family

In this section it is assumed that the spouse does not supply any labour to the market (Figures A through J). The EMTRs for a low-wage family (on the minimum wage) are fairly high (see Figures C and H). The EMTR for a low-wage family does not drop below 60 per cent when working between 3 and 48 hours per week. Often the EMTR is even above 70 per cent. For this group, the different indexation schemes are irrelevant. For those on an average wage, EMTRs are high for lower part-time hours only (see Figures D and I). From 24 hours onwards, EMTRs are mostly 60 per cent or below. Indexation of tax thresholds benefits them over a wider range of labour supply and at the relevant (full-time) hours of work. The range of high EMTRs is much more narrow for high-income earners, but the work-incentive effects of indexing tax thresholds are likely to be irrelevant for them, given that it lowers EMTRs in the part-time hours range only (see Figures E and J). At higher hours they automatically fall in the highest tax bracket.

The more modest withdrawal rate of pensions (compared to allowances) is reflected in the lower EMTRs for sole parents than for NewStart recipients (see Figures A and F), but EMTRs are still around 60 per cent for a large proportion of the labour supply range (basically from 10 hours work per week onwards). Tax threshold indexation seems somewhat more relevant for them than for NewStart recipients.

3.2.2 EMTRs for spouses as a secondary earner

In this subsection it is assumed that the head of the household is working full time (Figures C-spouse through J-spouse). The EMTR profiles for the spouse reveal that

spouses in low-wage families face high EMTRS of over 60 or 70 per cent up to a labour supply of nearly 20 hours per week when they enter the market as a secondary earner. These high EMTRs then ease to around 50 per cent and jump back to around 60 per cent at labour supply over 35 hours a week as a result of entering a higher income tax bracket.

In contrast, the spouse in an average-wage family faces higher EMTRs of 60 and 50 per cent over a narrower range of about 12 hours per week, followed by a long sustained plateau of very low EMTRs of around 20 to 30 per cent. Only at a full-time work week the family tax benefits cause the EMTR to double to about 60 per cent.

Finally, the EMTR profiles of second earners in high-wage families are dominated by a move through the subsequent tax brackets, steadily raising the EMTR from about 20 to 50 per cent, with the exception of a modest peak at a low level of labour supply (less than 8 hours per week).

3.3 Average EMTRs measured over realistic employment options

3.3.1 Heads of households

EMTRs can be misleading in that they present the incentive to work as the return to earning one extra dollar, which is not the actual unit in which most people think. Therefore, table 94 presents gross and net income at zero, 20 and 40 hours of work for each of the four families, corresponding to non-work, part-time and full-time employment. Ignoring for the moment the columns on the Earned Income Tax Credit (EITC), which is discussed in sections 4 and 5, the financial incentives of taking up employment are higher for sole parents than for families that depend on an allowance when out of work. In other words, they lose a smaller fraction of their earned income in taxes and benefit withdrawals. In the case of part-time take up, sole parents lose 37 per cent of their earned income in taxes and withdrawn benefits, versus an average of 68 per cent for heads of households in couples. Even a move from non-work to full-time work is more rewarding for sole parents, losing 51 per cent of their earnings compared to 69 per cent for low-wage, 67 per cent for average-wage and 61 per cent for high-wage earning heads in couples.

3.3.2 Spouses as secondary earners

The highest proportion of income is lost by second earners in low-wage families. This is caused by the fact that these families are still eligible for various payments even if the head is working full-time. As the second earner starts to earn a higher income these payments are withdrawn, causing a higher EMTR than would have been the case had they been partners of high-wage individuals. The difference is quite large, especially for a second earner taking up part-time employment. In the case of a low-wage family the second earner loses 65 per cent of the extra dollars earned in taxes and withdrawn benefits, compared to 39 per cent for an average wage and 32 per cent for a high-wage earning family. A low-wage secondary earner partnered to a low-wage primary earner also faces lower incentives to increase hours from part-time to full-time levels.

To highlight the effects of benefit withdrawals for low-wage couples further, we examined the effect of a wage increase. Increasing the minimum wage from $11.80 to $12.50 for a head of household working 40 hours per week only increases the

family's net income by $3.50 per week (out of a gross increase of $28 per week). For a standard week of 38 hours this would be $5.58 out of an increase of $26.60.

3.4 Summary

Section 3 has identified the low financial incentives to take up employment or to increase hours of work that particularly affect low-wage earning couples. As noted earlier, these low incentives are a direct result of the means tested nature of the various transfer payments. The EMTR profiles for both partners in the four families, described above, have shown that the different indexing schemes have very little effect on the observed profiles and only shift them horizontally (figures A-J and their spouse equivalents). However, changes to the social security system itself, in the form of a reduction in taper rates, could have large consequences for the profiles. The changes however cannot be described as horizontal (or vertical) shifts of the profile. To assess various reform proposals aimed at addressing the low financial incentives to take up employment or increase hours worked, we analyse each of them individually and compare them at the 20-hour block choices of non-work, part-time and full-time for each of the partners in the four stylized families.

4. Some Alternative Tax Packages

4.1 Introduction

To make a comparison of the impacts of various tax proposals seven tax reforms are compared to the alternative of keeping the current tax and social security system.

Each of the seven tax proposals is designed to have an upfront cost of approximately $3.8 billion when introduced in 2005/06. This $3.8 billion is the dollar value of bracket creep in 2005/06 as established in section 2.

A further three tax reforms are analysed separately and have much smaller upfront costs. The EITC is effectively a payment from the tax office to low-income families. It is tapered in at around 5c to the dollar, starting at the first dollar being earned. For each individual, the maximum EITC is capped at $30 a week. Each working partner is thus eligible for this EITC on their own merits. However, the EITC is tapered out based on family income using the same withdrawal scheme as for Family Tax Benefit Part A. First all family payments are tapered out at 30 per cent until the minimum level is reached, after which the withdrawal of the EITC starts. Under this proposal the maximum tax credit that any individual can obtain is $30 a week, but a two earner couple could get more than this.

Table 4: Overview of different tax reforms, upfront costs, ex-post costs and employment effects.

	Tax-free area 1	Tax Bracket 2	Tax Bracket 3	Tax Bracket 4	Tax Bracket 5	EITC	Reduce Taper rates	Restrict NewStart Eligibility to < 30hr	Upfront Costs ($ billion)	Costs after accounting for labour Supply effects ($ billion)	Extra labour supply versus Reform I (jobs)
Reform I (Current System)						no	no	no	base	base	base
Upper Tax Threshold ($)	6,000	21,500	52,000	62,500	-						
Tax rate	0	17c	30c	42c	47c						
Reform II (CPI indexing)									3.85	2.90	43,997
Upper Tax Threshold ($)	***6,818***	***22,727***	***56,819***	***68,183***							
Tax rate	0	17c	30c	42c	47c						
Reform III						***yes***	no	no	3.94	2.69	79,942
Upper Tax Threshold ($)	6,000	21,500	52,000	***77,500***	-						
Tax rate	0	17c	30c	***40c***	47c						
Reform IV						***yes***	no	no	3.99	2.68	85,737
Upper Tax Threshold ($)	6,000	21,500	***57,000***	***68,000***	-						
Tax rate	0	17c	30c	42c	47c						
Reform V						no	***yes***	no	3.71	3.44	20,135
Upper Tax Threshold ($)	6,000	21,500	52,000	***77,500***	-						
Tax rate	0	17c	30c	***40c***	47c						
Reform VI						no	***yes***	no	3.76	3.43	25,667
Upper Tax Threshold ($)	6,000	21,500	***57,000***	***68,000***	-						
Tax rate	0	17c	30c	42c	47c						
Reform VII						no	***yes***	***yes***	3.39	3.09	19,730
Upper Tax Threshold ($)	6,000	21,500	52,000	***77,500***	-						
Tax rate	0	17c	30c	***40c***	47c						
Reform VIII						no	***yes***	***yes***	3.44	3.08	25,113
Upper Tax Threshold ($)	6,000	21,500	***57,000***	***68,000***	-						
Tax rate	0	17c	30c	42c	47c						
Reform IX						***yes***	no	no	2.33	1.48	72,447
Upper Tax Threshold	6,000	21,500	52,000	62,500	-						
Tax rate	0	17c	30c	42c	47c						
Reform X						no	***yes***	no	1.41	1.34	17,549
Upper Tax Threshold	6,000	21,500	52,000	62,500	-						
Tax rate	0	17c	30c	42c	47c						
Reform XI						no	***yes***	***yes***	1.20	1.10	16,995
Upper Tax Threshold	6,000	21,500	52,000	62,500	-						
Tax rate	0	17c	30c	42c	47c						

4.2 Labour supply effects of the various tax reforms

A complete picture of the different impacts of the various tax reforms is obtained in tables 78 through 95. The different tax reforms each have different labour supply effects. These labour supply effects induced by the tax reforms imply very different ex-post costs of the various tax reforms, although each reform proposal has approximately equal upfront costs (except for IX, X and XI). As it turns out, the most expensive tax reform package (IV) with an upfront cost of $3.99 billion is actually the least expensive reform when accounting for labour supply responses, with an expected ex-post cost of $2.68 billion. The reason is that this package, which combines indexing the top two thresholds by the CPI with the introduction of the EITC, triggers the largest labour supply response (Table 80). The labour supply responses, expressed as an increase/decrease in the number of workers compared to the benchmark of tax Reform I, show that approximately 85,000 extra workers would enter the market under this most cost-efficient tax reform. The tax reforms that include a reduction in the taper rates (reforms V-VIII), although generating extra labour supply, perform less well than a straightforward indexing of tax thresholds (tax reform II). A breakdown of the labour supply effects by partnered men, partnered women, single men, single women, and sole parents reveals for which group each tax reform has the largest impact. The EITC has relatively large positive aggregate effects for all groups except partnered women. This negative effect is however partly counteracted by the indexing of the two top thresholds under tax reform IV. In contrast, the tax reforms involving a reduction in taper rates have large negative aggregate effects on partnered women, but unlike the case of the EITC these are not offset by strong gains in labour supply for other groups. The only tax reform that in aggregate increases the labour supply of partnered women is the straightforward indexing of the tax thresholds (tax reform II). This makes sense intuitively, as it is the only tax reform under consideration that is purely based on individual income.

4.3 Winners and Non-winners under the various tax reform proposals

As every reform is in principle a tax cut, there are no losers under any of the reforms, only non-winners. The different tax reform proposals imply different distributions of winners and non-winners, and conditional on being a winner, the average win also varies greatly under the different tax reform proposals (Tables 88 and 81 – 87). The proposal with the most winners (78 per cent) is the straightforward indexing of the thresholds. However, the average gain is only $2.50 a week for those in the lowest family income decile, which increases to about $5 for those in the 5th family income decile, and is largest for the highest decile at $28 a week. The tax reforms involving the EITC have roughly 55 per cent of families gaining, versus 45 per cent for reforms involving a reduction in taper rates. Compared to the indexing of all thresholds, some middle- to high-income families miss out on the gain. What the EITC and reduction in taper rates have in common is that, compared to straightforward indexing of the thresholds, they take some of the gains for high-income families, in particular the top two family income deciles, and redistribute these lower down the income ladder.[2] The EITC tax reforms maintain a relatively even spread, in absolute value, of the average

[2] Indexation of the lower tax thresholds benefits everyone not just families on low incomes. For this reason, it is relatively expensive.

gain across income deciles whereas the reforms involving a reduction of taper rates seem to favour the 2nd and 4th and 5th deciles to a larger extent.

4.4 Effect of the various tax reforms on EMTRs over realistic employment options

Returning to the four hypothetical families and their EMTRs over the realistic employment options of non-work, part-time and full-time employment, a few things stand out (Tables 94a – 94d). Sole parents, under all tax reform proposals, see their EMTRs at the different employment options lowered, except under tax reform II (straightforward indexing by CPI). The impact on EMTRs for couple families is more diverse. However, all tax reforms increase the incentive to move from non-work to part-time, most strongly so under those reforms that include a reduction in taper rates. The incentive for the head of household to move from non-work to full-time employment is also increased in the case of low-wage families. Where the different tax reforms for low-wage couples differ is that while the incentives to move from part-time to full-time employment are greater with the introduction of the EITC, this move is discouraged under reforms involving a reduction in taper rates. The same holds for the incentives for a secondary earner in a low-wage family to enter the labour market. These incentives are increased under reforms that include the EITC but discouraged under reforms with reduced taper rates.

For average-wage couples, moving from non-work into part-time employment is more attractive under all reform proposals. The subsequent move from part-time to full-time is less attractive under reforms involving taper rate reductions, but still more attractive under reforms involving the EITC. The EITC has a negative effect on the incentives for a secondary earner to take up part-time employment. The second earner's EMTR is low at 35 per cent and would be increased to 43 per cent under reforms involving the introduction of the EITC. This is however still lower than the EMTR of 63 per cent that a second earner in a low-wage family is currently facing. The latter would be reduced to 58 per cent under a reform involving the EITC.

The impacts of the various tax reforms on the EMTRs at the different employment levels for high-wage families are all relatively small.

5. Income Tax Reform: Base Broadening

The analysis has proceeded on the simplifying assumption that there be no change in the tax base or taxable sum. This enabled the discussion to focus on changes in the tax rate schedule.

In practice tax reform also can be directed at changes in the tax base. For example, the income tax reforms of 1985 used the introduction of the capital gains tax (CGT) and the fringe benefits tax (FBT) to achieve greater equity and efficiency and to fund much lower tax rates, including reducing the top rate from 60 per cent to 49 per cent; and most of the reduction in the corporate tax rate from 39 per cent to 30 per cent in 2001 was funded by replacing the system of accelerated depreciation with depreciation over the economic life for plant and equipment and for buildings.

Options to make the current income tax base more comprehensive and broader, and in the process achieving greater equity and efficiency and providing funds for lower tax rates include: eliminating most work expenses deductions; reducing remaining

concessions in the FBT; eliminating concessions in the CGT; removing other tax expenditures; and, proceeding with measures to reduce the use of trusts and company structures to reduce taxation.

Work Related Expenses

Data from the ATO (Taxation Statistics, 2004) report that in 2001-02, 6.7 million individual taxpayers claimed a total of $8.753 billion in work related expenses. The largest claims were for motor vehicles ($3.4 billion), clothing ($0.8 billion), self-education ($0.6 billion) and other travel ($0.7 billion).Those on higher incomes claim more than those on lower incomes, for example those with taxable incomes of $60000 or more a year represent 11 per cent of taxpayers but claimed 22 per cent of work related expenses. Removal of deductions for work related expenses would improve vertical equity, and arguably it also would improve horizontal equity and efficiency. In particular, removal of these concessions would simplify the individual income tax system and in the process reduce some of the $862 million a year claimed as deductions for costs of managing tax affairs.

FBT Concessions

In its latest Tax Expenditure document, Treasury (2004) estimates that the undervaluation of motor vehicle fringe benefits for private use involves a loss of tax revenue of over $1 billion a year. It seems likely that these benefits are skewed in favour of middle and high-income earners. Removal of the concession would add to equity, efficiency and fund lower tax rates, especially at the higher income brackets.

CGT Concessions

Relative to a comprehensive income tax treatment which applies to many other forms of capital income, concessions on the taxation of capital gains include halving of the tax rate for assets held for more than a year and generous roll-over provisions for small business; in addition, CGT is applied only on realisation at time of sale and not on accrued gains, and owner occupied housing is exempt. In its Tax Expenditure document, Treasury (2004) estimates the 50 per cent rate concession for capital gains cost revenue of $2.4 billion in 2003-04, and that the concessions for small business cost another $0.25 billion. Data from the ATO (2004) for 2001-02 show that capital gains are highly skewed to the better off, for example only 12.8 per cent of those with incomes in the $20000 to $50000 range reported capital gains, compared with 22 per cent for those in the $60000 to $100000 range, and over 30 per cent for those on even higher incomes. Reform of the CGT would significantly broaden the income tax base.

Other Tax Expenditures

The Treasury Tax Expenditure document (Treasury, 2004) includes many other special tax concessions and deductions which narrow the tax base at the expense of revenue, equity, efficiency and simplicity, and which reflect more past political favours than good tax design. Concessional tax treatment of non-superannuation termination payments and of unused lump sums for unused annual and long service leave (relative to the taxation of wages) involves estimated tax expenditures of nearly $1 billion a year. Almost certainly these benefits are skewed in favour of those with higher incomes, but only some benefit. Selective tax concessions for income averaging, for farm management deposit bonds, for low valuations of natural livestock increase inventories and other concessions exceed $0.6 billion a year and represent selective reductions in income tax for primary producers. Other tax concessions which could be considered in striving for a more comprehensive, broader

and larger income tax base, but which have their own organised political lobby and interest groups, include the zone tax offset, taxation of superannuation, the First Home Owners Scheme (FHOS), and the 30 per cent private health insurance rebate.

Business Structures

Compared with the rigorous individual tax treatment of wage and salary earners, the self employed and earners of capital income have much more flexibility to legally reduce income tax paid by the use of trusts and corporate business structures. With these structures it is relatively easy to split incomes and the lower 30 per cent corporate tax rate is preferable to the top 48.5 per cent personal tax rate as a means of deferring the payment of tax. There also is anecdotal evidence that it is easier to classify some private expenditure as tax deductible business expenses under trust and corporate structures. While the tax reform debate at the turn of the twenty-first century considered reforms to achieve greater neutrality in the tax treatment of different business structures, only cosmetic changes were implemented. Clearly, finding an administrative solution to this on-going form of tax inequity and inefficiency, let alone finding a political consensus, is a daunting task. Further, the absence of generally agreed data on the magnitude of tax avoidance and the distribution of these concessions makes the task of achieving informed debate and reform difficult. One extreme solution which avoids the tax base measurement issue would have a flat tax rate applying to all forms of income. Greater alignment of the corporate and top personal tax rates, and flattening of the tax rate scale, particularly when funded by removing concessions and deductions which are skewed in favour of the better-off, reduce the incentives and rewards from carefully restructuring of business enterprises.

What then are some implications of broadening the income tax base as a means of funding reductions in the income tax rate schedule? First, such reforms generally make for good tax design or structural reform in their own right. A broader and more comprehensive base means a more even tax playing field and less distortions to economic decisions, it results in greater horizontal tax equity, for most of the changes discussed vertical equity also would be improved, and some simplicity likely would follow as special exemptions and deductions are removed. But, of course, those who now utilise the concessions will be losers. Second, in terms of annual dollar sums, the earlier discussion indicates potential revenue gains in the billions of dollars, with a number of $10 billion a year achievable. In terms of the top tax brackets and rates, a great deal could be achieved. For example, a billion dollars a year would fund a 2 percentage point reduction in the top marginal rate from 48.5 per cent to 46.5 per cent, or a $16000 increase in the top tax bracket from $62500 to $78500; or, a billion dollars would fund dropping the second highest marginal tax rate by 5 percentage points to 38.5 per cent, or raise the second top bracket by $4000 to $56000.

6. Discussion and Conclusion

In this report we have identified the extent to which bracket-creep has been causing an increase in tax revenue to the Commonwealth Government. By the end of this financial year it will have reached 1.7 billion. By the end of 2004-5 this would reach the value of 2.8 billion dollars if there are no further adjustments to thresholds. By the end of 2005-6, it would reach $3.8 billion.

Thus, if the government is to return this bracket-creep to the tax payer, it has $3.8 billion to "spend" on tax cuts in 2005/2006.

This was one of the two main issues analysed in this report, for which we used the Melbourne Institute Tax and Transfer Simulator.[3] The other was an analysis of effective marginal tax rates.

As a general principle, the highest effective marginal tax rates are faced by low-income families. In particular, jobless families or families with only a few hours of work a week, gain remarkably little, financially, from one or even two family members obtaining jobs.

Take the example of the jobless couple with two children. If one member of the couple secured a full-time job with a low wage rate of $11.80 per hour - $472 for a forty-hour week - the family's net after tax income would increase by only $144.31 per week. The effective marginal tax rate on the wage income earned would be 69 per cent.

Why is this? First, they would pay $65.10 in income tax. In addition they would have their income support payments reduced, losing $173.65 of NewStart Allowance and $127.05 of Parenting Payment. They would gain an additional $38.11 in Family Tax Benefit, but in total the net loss of assistance would be $262.59, a much larger effect than the $65.10 income tax.

Thus in designing alternative tax packages to hand back the $3.8 billion bracket creep, there is a strong argument that rather than simply index the thresholds to inflation, the policy should be strategic in seeking to reduce the effective marginal tax rates of low-income families at the same time, to improve their work incentives.

In this report we have explored alternative ways of improving the work incentives of low-income families. On the one hand, the income support received by families when they are out of work could be cut. This solution is normally ruled out on compassionate and political grounds. We can effectively discount this as a possibility. On the other hand, there are options that would increase the net income received from obtaining one or more jobs.

First, their income tax could be cut. If the tax-free area ended at $10,000 instead of $6,000 the family we described earlier would pay $52.03 income tax, increasing their net income by $13.08 and reducing their effective marginal tax rate to 67 per cent. This very modest reduction of two percentage points would be very expensive. It would cost the government about $5.7 billion, as it would reduce all income tax-payers' tax liability.

A more cost-effective option would be to reduce the family's effective marginal tax rate in a way that does not reduce every tax-payer's liability: a tax cut focussed on low-income families. A tax credit, the kind of policy that has been adopted in the UK and the US, could do this. One problem with tax credits, (a payment from the tax system to low-wage earners in low-income families) is that when they are withdrawn higher up the income distribution, they can increase the effective marginal tax rates for some higher income families.

One such proposal, building on the ideas of Michael Keating and Simon Lambert (see Dawkins et al., 2000) was designed to limit the effect on effective marginal tax rates

[3] See the appendix for a description of the methodology used in this report.

higher up the income distribution, by tapering it out in tandem with Family Tax Benefit Part A. If about $2.5 billion was spent on this proposal it would boost the net income of the family in our example by $23.19 and reduce its effective marginal tax rate by 4 percentage points, to 65 per cent. This is twice the impact of increasing the tax-free area at half the cost.

A third option is to reduce the withdrawal rate on NewStart Allowance. The main problem with this is that only the unemployed and part-time employees seeking full-time employment are eligible for NewStart. If the taper rate were to be reduced it would make part-time employment more attractive for our family, but full-time employment relatively less attractive.

The rules could be changed to make full-time employees eligible. The government would have to consider whether this benefit, administered through Centrelink, should be used to increase the incomes of full-time employees in low-income families. The tax system would seem to be a more suitable mechanism.

If full-time employees did become eligible for NewStart, further issues would arise. Reducing the withdrawal rate would raise the net income of our family where one member works full-time. But it would have a larger beneficial impact on the returns to working part-time. Further, the effective marginal tax rate faced by a second earner from our low-wage family entering the labour market, part-time or full-time, would be significantly increased.

This is in contrast to the effect of the tax credit, which would reduce the effective marginal tax rate for a second low-wage earner. It is further up the income distribution, for medium-wage couples, where the tax credit would raise the effective marginal tax rate for the second earner. However, the resultant effective rate would still be substantially lower than that faced by the second earner in low-wage couples. Further, the rise in the effective marginal tax rate for these medium-wage families would be smaller than the rise that would be experienced by the low-wage families, from adjusting the tapers on NewStart.

We have so far focussed on couples. In the case of lone parents the taper rate on the lone parent pension is already lower than for NewStart, at 40 per cent. But lone parents would still be very responsive to increased work incentives. The application of the tax credit would be a more effective policy than reducing the taper rate further on the lone parent pension.

Thus the tax credit proposal is the most promising strategy for making employment, especially full-time employment, a more attractive proposition for jobless households or households with only a few hours of work. As the result of the movement from welfare to work, a significant proportion of the up-front cost would be recouped in reduced welfare payments and increased tax revenue.

Our estimates of the reduction in labour supply of a number of second earners (because their spouses' incomes will have been boosted) indicate a small effect that would be swamped by the positive effect on the labour supply of low-income families. An estimated net loss in employment of 6,000 women in couples compares with a net gain of 72,000 new workers overall, if $2.5 billion is spent on the tax credit.

Bracket creep has caused another problem with EMTRs higher up the income distribution, due to the large number of people moving into the top two income tax

brackets. In addition to the tax credit, therefore, there is good argument that some of the tax "hand-back" should be used to raise the top two tax thresholds.

Here we discuss two of the tax packages. Tax Package IV combines the tax credit with raising the top two thresholds. About $2.5 billion is spent, up-front, on the tax credit and $1.5 billion on raising the thresholds. Tax Package II simply indexes all tax thresholds for inflation over the June 2001 to June 2005 for a slightly lower total up-front cost.

What would be the effect on the number of individuals moving into jobs and on the number of jobless families? We are using the term 'families' here loosely, to refer to what the statisticians call 'income units' which may for example be a couple with children or it may only be a single person without children.

Tax Package IV is found to increase the net number of Australians moving into paid work, by about 85,000. At the same time it would reduce jobless families by an estimated 89,000. The reason the latter is a larger number is that there is an increase in single earner couples but a reduction in dual earner couples.

The consequent effect on tax revenue and welfare benefits paid would reduce the cost to the government by over $1.3 billion resulting in a net cost of about $2.7 billion

Tax Package II would increase the movement into paid work by about 44,000 with a reduction of just 32,000 in jobless families. This would reduce the cost to government by a significant but considerably smaller amount than Tax Package IV.

Most of the hand-back of tax revenue that results from indexing the thresholds for inflation, in Tax Package II goes to the top four deciles in the distribution of income.

By contrast Tax Package IV spreads the benefit more evenly across the income distribution so that the bottom half of the distribution gains more in proportion to their income. This results from the tax credit which benefits the low-wage earners in low-income families and raises the incentive for jobless households and households with few hours of work, to move from welfare to work.

A couple with children with a single earner on the national minimum wage would gain $21.00 from Tax Package IV. Compare this with the $5.58 they will gain if the ACTU's wage claim of $26.60 is granted in full, because of the high EMTR that they face. Indeed, if such a tax benefit also took the pressure of the wage system to deliver a substantial wage increase for minimum wage workers which benefits them little, job opportunities for jobless households would also rise.

Meanwhile, although the total amount of tax handed back to high-income families is less under Tax Package IV than Tax Package II, the incentive for middle-income earners to increase their earnings would be equally strong under both packages because the top two marginal rates are cut equally in both packages.

It is true that on average most families in the top twenty per cent of the income distribution do not get quite as much handed back to them in tax cuts. Also some middle-income families (mostly singles and couples without children) would miss out on a small tax cut. This would seem a small price to pay, for Australia to significantly reduce its number of jobless households who rely on income support from the government, and to reduce the number of children in jobless families.

In addition, the government gets a payback in higher tax revenue and lower welfare benefits paid. This is a virtuous cycle that will help the long-run ambition to reduce everyone's tax burden and/or improve the health and education systems.

Finally, it should be stressed that the alternative tax packages analysed, assume that the income tax base is not changed. There is a case, however, for broadening the income tax base. This was discussed in Section 5. Options to make the current income tax base more comprehensive and broader, and in the process achieving greater equity and efficiency, in addition to providing funds for lower tax rates, include: eliminating most work expenses deductions; reducing remaining concessions in the FBT; eliminating concessions in the CGT; removing other tax expenditures; and, proceeding with measures to reduce the use of trusts and company structures to reduce taxation.

Such reforms generally make for good tax design or structural reform in their own right. A broader and more comprehensive base means a more even tax playing field and less distortions to economic decisions and results in greater horizontal tax equity. For most of the changes discussed vertical equity also would be improved. Some simplicity likely would follow as special exemptions and deductions are removed.

But, of course, those who now utilise the concessions will be losers. Second, in terms of annual dollar sums, potential revenue gains in the billions of dollars, with a number of $10 billion a year are achievable. In terms of the top tax brackets and rates, a great deal could be achieved. For example, a billion dollars a year would fund a 2 percentage point reduction in the top marginal rate from 48.5 per cent to 46.5 per cent, or a $16000 increase in the top tax bracket from $62500 to $78500; or, a billion dollars would fund dropping the second highest marginal tax rate by 5 percentage points to 38.5 per cent, or raise the second top bracket by $4000 to $56000.

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Appendix on methodology

The calculation of net incomes at observed hours of work

The numbers in these tables are based on calculations in the Melbourne Institute Tax and Transfer Simulator (MITTS).[4] MITTS calculates net incomes for individual households for which we have detailed wage, labour supply, other income and household composition information. The results for individuals are weighted and aggregated to represent population level results.

A sample of households, based on the Australian Bureau of Statistics' Survey of Income and Housing Costs 2000-2001, representing the population in 2000/2001 is used. The same sample is used to represent the same population in 2001/2002, 2002/2003, 2003/2004, 2004/2005, and 2005/2006. Employment and size and composition of the population are held constant at the 2000/2001 level. The only difference between the different years is that wage rates are updated with the average wage index for male average weekly earnings and other incomes are updated with the consumer price index (CPI). For the earlier years, indices published by the Australian Bureau of Statistics are used. For 2004/2005 and 2005/2006, the Treasury's projections from the budget papers are used. The actual social security systems of 2000/2001 to 2003/2004 are used to calculate benefit receipt in the earlier years[5], while in the last two years pensions are indexed by the projected male average weekly earnings increase and allowances (for sickness and unemployment) are indexed by the predicted CPI.

Alternative taxation systems are used to calculate net incomes in the different years. The outcomes under the different systems are compared. Initially, it is assumed that people do not change their behaviour because of the changed taxation rules. There are four different taxation regimes identified over time. The first system is the true regime, which means there are no changes over time, except in 2003/2004 when all tax thresholds excluding the first threshold are increased. Second, we look at a regime where the tax thresholds do not change at all from 2000/2001 to 2005/2006. Third, we apply a regime which increases the tax thresholds yearly by the consumer price index change over the previous tax year.[6] Fourth, a system with yearly indexing of all the tax thresholds by male average weekly earnings is applied.

All amounts in the tables are expressed in first quarter 2004 dollars, which means all the differences between years are real effects and not nominal effects caused by inflation.

Calculating net incomes at different hours of work

The effective marginal tax rate (EMTR) is calculated taking into account income tax and withdrawal rates of social security payments or rebates. We compare the increase in gross income with the increase in net income at different levels of labour supply.

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[4] This appendix gives a brief description of the Melbourne Institute Tax and Transfer Simulator. More details can be found in Creedy et al. (2002), in Creedy et al. (2001) or on the web site http://www1.ecom.unimelb.edu.au/iaesrwww/lsfs/mitts.html . A more general description of the technical aspects of microsimulation models can be found in Creedy and Kalb (2003).

[5] See publications from the Commonwealth Department of Family and Community Services, and the Department of Education, Science and Training for details on the social security system. For DVA payments see publications by the Department of Veterans' Affairs.

[6] In the first tax year 2000/2001, the GST effect (as calculated by Treasury) is taken out of the price index, because the July 2000 tax changes are already meant to counteract these effects.

That is, the EMTR calculates the cents lost to income tax and to withdrawal of pensions and allowances when one extra dollar of gross income is earned.

Net incomes can be calculated at all possible hours of labour supply, assuming the gross wage per hour does not change (for example there is no overtime pay in the model). For workers the observed gross wage per hour (earnings divided by the observed hours of work) is used and for non-workers a gross wage rate is predicted from a wage model based on the individual's characteristics (such as education level and age).

Marginal effective tax rates and a budget constraint (showing net incomes across the possible range of labour supply) can identify potential disincentive effects on labour supply of the tax and social security system. Disincentive effects can occur whenever an additional hour of work is not rewarded by a corresponding increase in net income. MITTS can evaluate incentive effects of alternative policies by predicting whether individuals are expected to change their hours of work as a result. Adjustments can be made by leaving or entering the workforce, and for those in the workforce by changing hours worked. Only financial incentives can be studied within MITTS. Individuals who are self-employed, over 65, a full-time student or disabled are left at their observed labour supply. This group with constant labour supply is expected to behave differently from the other individuals of working age and to be less responsive to financial incentives.

MITTS calibrates the predicted hours in the base case to equal the observed hours, to use as a starting point for the reform. Estimated parameters from a labour supply model, which indicate a person's preference for employment in the labour market versus the preference for income, are used to evaluate the different levels of net income at the different levels of labour supply in the alternative tax systems.[7] The parameters are based on observed behaviour. An effort is made to account for differences in preferences between individuals, an obvious example is the age of the youngest child for mothers[8], but of course not all individual differences can be captured by a statistical model. This means there is uncertainty associated with the predicted outcomes. Using the model, we can calculate the probability of particular labour supply and net income combinations being the optimal combination an individual can attain given their wage, other income and the tax and social security system. Based on these probabilities, expected labour supply and expected changes in labour supply can be calculated.

An important assumption in these calculations is that individuals can change their labour supply according to their preferences. In MITTS it is assumed that all additional labour supply is met by a sufficient demand for labour.

On indexing

Indexing of the 2000/01 tax thresholds with the AWE/CPI:

Our indexing rule is that we index for the July-June budget by using as close as possible a match for the last year's increase in CPI/AWE. For the CPI this means we index the July-June budget of this year, with the CPI increase over the previous

[7] For the current model used in MITTS see Kalb (2002).

[8] Having a preschool child decreases the predicted preference for employment in the labour market for mothers.

financial year. For indexing with AWE, we use the increase in male average weekly earnings as measured from August to August during the previous financial year.

CPI indexing controlling for ANTS effects in CPI:

We can compute the “GST adjusted CPI” based on the press release by the Treasurer on the Consumer Price Index for the September 2000 quarter (press release No. 100 in the 2000 series). It says that the all goods CPI increased by 3.7 per cent in the quarter, resulting in a 6.1 per cent increase with respect to last year. It also says that excluding the ANTS effects, the CPI annual increase was around 3.25 per cent (not corrected for oil prices, only for ANTS effects). We can then, using the quarterly increases in CPI from September 1999 to June 2000, calculate the missing September 2000 quarter increase that generates the 3.25 on an annual basis. This results in a September 2000 quarterly increase of 0.9115 per cent. Based on this September 2000 quarter CPI increase we compute the uprating factors for the tax thresholds under the "pure" CPI indexing scheme.

CPI increase from	Is used to uprate for budget cycle	The uprate factor is
Jun00 - Jun01	2001/02	1.031462
Jun01 - Jun02	2002/03	1.028273
Jun02 - Jun03	2003/04	1.027232
Jun03 - Jun04	2004/05	1.022585
Jun04 - Jun05	2005/06	1.020000

male AWE increase from	Is used to uprate for budget cycle	The uprate factor is
Aug00 - Aug01	2001/02	1.04132
Aug01 - Aug02	2002/03	1.04118
Aug02 - Aug03	2003/04	1.05525
Aug03 - Aug04	2004/05	1.03687
Aug04 - Aug05	2005/06	1.03562

The uprating is based on the forecasts for CPI and AWE growth, taken from the Mid-Year Economic and Fiscal Outlook 2003-04 (Commonwealth of Australia, December 2003, ISBN 0 642 74222 7). Since only annual numbers are provided, we assume the increase in CPI/AWE to be gradual during the year.

For CPI the forecasts are 2.25; 2; 2.5; 2.5 for budget cycles 2003-04; 2004-05; 2005-06; 2006-07 respectively.

For AWE these are 3.75; 3.5; 3.75; 3.75 for budget cycles 2003-04; 2004-05; 2005-06; 2006-07 respectively.

Glossary

AITR	Average Income Tax Rate. This is the amount of income tax a person pays after deducting rebates, expressed as a percentage of his/her gross income.
ANTS	A New Tax System (introduced in 2000/01)
AWE	Average Weekly Earnings
CPI	Consumer Price Index
EMTR	Effective Marginal Tax Rate. The amount of tax you pay on each extra dollar earned.
Average EMTR	The average of the EMTRs currently faced by Australian individuals. The EMTR is calculated for each individual. Next, a weighted average is computed using sample weights.
FTPA/FTBA	Family Tax Payment part A / Family Tax Benefit part A
FTPB/FTBB	Family Tax Payment part B / Family Tax Benefit part B
GST	General Sales Tax
Hours, Gross,	Applies to tables A-K. Hours are the weekly hours worked, Gross
TUNet, Mrate	are the gross earnings at the hours level, TUNet is the total net disposable income for the income unit, and Mrate is the EMTR at the levels of hours.
Income Decile	After ranking everyone by their income, the first decile represents the poorest 10 per cent of the population, the second decile the next 10 per cent of the population, and so on. The tenth decile represents the richest 10 per cent of people. In the tables a decile is sometimes indicated by a range, so that the third decile is presented as 20-30.
LF	Labour force
Transition matrix	Shows the flows from starting states (the rows in the matrix) to destination states (the columns in the matrix).
Unit type	Unit type are different types of income units. A household can consist of more than one income unit. The different unit types are couple, single female, single male, couple with dependent children, and sole parents.
Jan01tru/niw/cpi/awe	The tax system for the budget cycle 2000/01 as it actually was (tru), what it would have been in the absence of tax threshold indexing (niw), what it would have been under CPI indexing of thresholds (cpi), or what it would have been under indexing of tax thresholds by AWE (awe).

Mar02tru/niw/cpi/awe	The tax system for the budget cycle 2001/02 as it actually was (tru), what it would have been in the absence of tax threshold indexing (niw), what it would have been under CPI indexing of thresholds (cpi), or what it would have been under indexing of tax thresholds by AWE (awe).
Mar03tru/niw/cpi/awe	The tax system for the budget cycle 2002/03 as it actually was (tru), what it would have been in the absence of tax threshold indexing (niw), what it would have been under CPI indexing of thresholds (cpi), or what it would have been under indexing of tax thresholds by AWE (awe).
Jan04tru/niw/cpi/awe	The tax system for the budget cycle 2003/04 as it actually is (tru), what it would be in the absence of tax threshold indexing (niw), what it would be under CPI indexing of thresholds (cpi), or what it would be under indexing of tax thresholds by AWE (awe).
Jan05tru/niw/cpi/awe	The tax system for the budget cycle 2004/05 as it actually would be absence any further indexing besides the one that took place in 2003/04 (tru), what it would be in the complete absence of tax threshold indexing (niw), what it would be under CPI indexing of thresholds (cpi), or what it would be under indexing of tax thresholds by AWE (awe).
Jan06tru/niw/cpi/awe	The tax system for the budget cycle 2005/06 as it actually would be absence any further indexing besides the one that took place in 2003/04 (tru), what it would be in the complete absence of tax threshold indexing (niw), what it would be under CPI indexing of thresholds (cpi), or what it would be under indexing of tax thresholds by AWE (awe).

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TABLE 1: INCOME TAX REVENUES (indexed), AVERAGE EMTRs AND AVERAGE INCOME TAX RATES UNDER DIFFERENT SCENARIOS

Income Tax Revenue indices (indexed at 2000/01)

Budget cycle	(I) Actual	(II) In absence of indexing	(III) Under CPI indexing	(IV) Under AWE indexing
1999/2000 (pre-ANTS)	112.9	112.9	112.9	112.9
2000/01 (ANTS)	100	100	100	100
2001/02	104.1	104.1	102.3	101.8
2002/03	107.6	107.6	104.2	103.0
2003/04	109.3	111.9	106.9	104.1
2004/05	112.9	115.5	109.2	105.5
2005/06	116.5	119.1	111.5	106.9

Average Effective Marginal Tax Rate

Budget cycle	(I) Actual	(II) In absence of indexing	(III) Under CPI indexing	(IV) Under AWE indexing
1999/2000 (pre-ANTS)	32.6	32.6	32.6	32.6
2000/01 (ANTS)	30.0	30.0	30.0	30.0
2001/02	29.6	29.6	29.4	29.3
2002/03	30.3	30.3	29.8	29.6
2003/04	30.0	30.4	29.7	29.3
2004/05	30.1	30.6	29.6	29.1
2005/06	31.4	31.8	30.6	30.0

Average Income Tax Rate

Budget cycle	(I) Actual	(II) In absence of indexing	(III) Under CPI indexing	(IV) Under AWE indexing
1999/2000 (pre-ANTS)	16.2	16.2	16.2	16.2
2000/01 (ANTS)	14.5	14.5	14.5	14.5
2001/02	14.9	14.9	14.6	14.6
2002/03	15.3	15.3	14.7	14.5
2003/04	15.2	15.6	14.8	14.4
2004/05	15.6	16.0	15.0	14.4
2005/06	15.9	16.4	15.1	14.4

AUSTRALIA

TABLE 1b: AVERAGE EMTRs UNDER DIFFERENT SCENARIOS (WORKING AGE INDIVIDUALS ONLY)

	Average Effective Marginal Tax Rate			
	(I)	(II)	(III)	(IV)
Budget cycle	Actual	In absence of indexing	Under CPI indexing	Under AWE indexing
1999/2000 (pre-ANTS)	39.0	39.0	39.0	39.0
2000/01 (ANTS)	36.0	36.0	36.0	36.0
2001/02	35.4	35.4	35.1	35.0
2002/03	36.2	36.2	35.6	35.4
2003/04	35.7	36.2	35.4	34.9
2004/05	35.8	36.4	35.2	34.7
2005/06	37.5	38.0	36.6	35.9

TABLE 2: DISTRIBUTION OF HIGHEST TAX BRACKET REACHED UNDER DIFFERENT SCENARIOS

	(distribution) Highest tax rate reached					(cumulative) Highest tax rate reached				
Budget cycle	**0**	**0.2**	**0.34**	**0.43**	**0.47**	**0**	**0.2**	**0.34**	**0.43**	**0.47**
1999/2000 (pre-ANTS)	19.0	37.3	24.4	8.9	10.5	19.0	56.3	80.6	89.5	100
(I) Actual	**Highest tax rate reached**					**Highest tax rate reached**				
Budget cycle	**0**	**0.17**	**0.3**	**0.42**	**0.47**	**0**	**0.17**	**0.3**	**0.42**	**0.47**
2000/01 (ANTS)	18.9	34.5	34.4	5.2	7.0	18.9	53.4	87.8	93.0	100
2001/02	18.8	33.8	33.9	5.5	7.9	18.8	52.6	86.5	92.1	100
2002/03	18.7	32.8	34.0	5.5	9.0	18.7	51.5	85.5	91.0	100
2003/04	18.5	34.2	32.9	5.6	8.9	18.5	52.6	85.6	91.1	100
2004/05	18.4	33.4	32.9	5.2	10.1	18.4	51.8	84.7	89.9	100
2005/06	18.2	32.8	32.2	5.5	11.3	18.2	51.0	83.2	88.7	100
(II) In absence of indexing										
Budget cycle	**0**	**0.17**	**0.3**	**0.42**	**0.47**	**0**	**0.17**	**0.3**	**0.42**	**0.47**
2000/01 (ANTS)	18.9	34.5	34.4	5.2	7.0	18.9	53.4	87.8	93.0	100
2001/02	18.8	33.8	33.9	5.5	7.9	18.8	52.6	86.5	92.1	100
2002/03	18.7	32.8	34.0	5.5	9.0	18.7	51.5	85.5	91.0	100
2003/04	18.5	32.4	33.7	5.1	10.2	18.5	50.9	84.6	89.8	100
2004/05	18.4	32.0	32.9	5.5	11.4	18.4	50.3	83.2	88.6	100
2005/06	18.2	31.5	32.0	5.9	12.4	18.2	49.6	81.6	87.6	100
(III) Under CPI indexing of tax brackets										
Budget cycle	**0**	**0.17**	**0.3**	**0.42**	**0.47**	**0**	**0.17**	**0.3**	**0.42**	**0.47**
2000/01 (ANTS)	18.9	34.5	34.4	5.2	7.0	18.9	53.4	87.8	93.0	100
2001/02	19.0	34.3	34.3	5.2	7.2	19.0	53.3	87.6	92.8	100
2002/03	19.0	34.1	34.0	5.4	7.6	19.0	53.0	87.0	92.4	100
2003/04	19.0	33.9	33.9	5.5	7.8	19.0	52.9	86.7	92.2	100
2004/05	19.0	33.6	33.9	5.5	8.1	19.0	52.5	86.4	91.9	100
2005/06	18.9	33.2	33.9	5.5	8.5	18.9	52.1	86.0	91.5	100
(IV) Under AWE indexing of tax brackets										
Budget cycle	**0**	**0.17**	**0.3**	**0.42**	**0.47**	**0**	**0.17**	**0.3**	**0.42**	**0.47**
2000/01 (ANTS)	18.9	34.5	34.4	5.2	7.0	18.9	53.4	87.8	93.0	100
2001/02	19.0	34.4	34.5	5.1	7.1	19.0	53.4	87.9	92.9	100
2002/03	19.1	34.3	34.4	5.0	7.2	19.1	53.4	87.8	92.8	100
2003/04	19.4	34.4	34.4	4.9	6.9	19.4	53.8	88.2	93.1	100
2004/05	19.5	34.4	34.4	4.9	6.8	19.5	53.8	88.3	93.2	100
2005/06	19.6	34.2	34.4	4.9	6.9	19.6	53.8	88.2	93.1	100

TABLE 2_ATO: DISTRIBUTION OF HIGHEST TAX BRACKET REACHED UNDER DIFFERENT SCENARIOS EXCLUDING NON-TAX PAYERS

	(distribution) Highest tax rate reached					(cumulative) Highest tax rate reached				
Budget cycle	**0**	**0.2**	**0.34**	**0.43**	**0.47**	**0**	**0.2**	**0.34**	**0.43**	**0.47**
1999/2000 (pre-ANTS)	-	28.0	40.1	14.6	17.3	-	28.0	68.1	82.7	100

(I) Actual	Highest tax rate reached					Highest tax rate reached				
Budget cycle	**0**	**0.17**	**0.3**	**0.42**	**0.47**	**0**	**0.17**	**0.3**	**0.42**	**0.47**
2000/01 (ANTS)	-	22.6	57.1	8.6	11.6	-	22.6	79.7	88	100
2001/02	-	21.5	56.2	9.2	13.2	-	21.5	77.7	87	100
2002/03	-	19.9	56.1	9.1	14.8	-	19.9	76.0	85	100
2003/04	-	22.1	54.1	9.2	14.6	-	22.1	76.2	85	100
2004/05	-	20.9	54.0	8.6	16.5	-	20.9	74.9	84	100
2005/06	-	19.9	52.7	9.0	18.5	-	19.9	72.5	82	100

(II) In absence of indexing										
Budget cycle	**0**	**0.17**	**0.3**	**0.42**	**0.47**	**0**	**0.17**	**0.3**	**0.42**	**0.47**
2000/01 (ANTS)	-	22.6	57.1	8.6	11.6	-	22.6	79.7	88	100
2001/02	-	21.5	56.2	9.2	13.2	-	21.5	77.7	87	100
2002/03	-	19.9	56.1	9.1	14.8	-	19.9	76.0	85	100
2003/04	-	19.3	55.5	8.4	16.8	-	19.3	74.7	83	100
2004/05	-	18.5	53.9	9.0	18.7	-	18.5	72.4	81	100
2005/06	-	17.6	52.3	9.7	20.4	-	17.6	70.0	80	100

(III) Under CPI indexing of tax brackets										
Budget cycle	**0**	**0.17**	**0.3**	**0.42**	**0.47**	**0**	**0.17**	**0.3**	**0.42**	**0.47**
2000/01 (ANTS)	-	22.6	57.1	8.6	11.6	-	22.6	79.7	88	100
2001/02	-	22.4	57.0	8.6	12.0	-	22.4	79.4	88	100
2002/03	-	22.1	56.4	8.9	12.6	-	22.1	78.5	87	100
2003/04	-	21.9	56.1	9.1	12.9	-	21.9	78.0	87	100
2004/05	-	21.4	56.0	9.1	13.4	-	21.4	77.5	87	100
2005/06	-	20.9	56.0	9.1	14.0	-	20.9	76.9	86	100

(IV) Under AWE indexing of tax brackets										
Budget cycle	**0**	**0.17**	**0.3**	**0.42**	**0.47**	**0**	**0.17**	**0.3**	**0.42**	**0.47**
2000/01 (ANTS)	-	22.6	57.1	8.6	11.6	-	22.6	79.7	88	100
2001/02	-	22.5	57.3	8.4	11.7	-	22.5	79.8	88	100
2002/03	-	22.6	57.1	8.4	11.9	-	22.6	79.7	88	100
2003/04	-	23.3	57.2	8.1	11.4	-	23.3	80.5	89	100
2004/05	-	23.3	57.2	8.2	11.3	-	23.3	80.5	89	100
2005/06	-	23.3	57.2	8.1	11.4	-	23.3	80.5	89	100

TABLE 4: AVERAGE(individual) INCOME TAX RATE (AITR) BY INCOME DECILE UNDER DIFFERENT SCENARIOS

	INCOME DECILE									
	0 - 10	10 - 20	20 - 30	30 - 40	40 - 50	50 - 60	60 - 70	70 - 80	80 - 90	90 - 100
AITR in 1999/2000 (pre-ANTS)	2.65	8.28	6.48	12.96	14.47	16.80	18.31	18.96	21.14	25.68
AITR in 2000/01 (ANTS)	1.98	6.54	6.12	11.80	13.65	15.37	16.40	17.26	18.48	23.00
…if there would be no indexing	1.98	6.54	6.12	11.80	13.65	15.37	16.40	17.26	18.48	23.00
…if there would be CPI indexing	1.98	6.54	6.12	11.80	13.65	15.37	16.40	17.26	18.48	23.00
…if there would be AWE indexing	1.98	6.54	6.12	11.80	13.65	15.37	16.40	17.26	18.48	23.00
AITR in 2001/02	2.28	6.78	6.57	12.09	13.97	16.01	16.86	17.67	18.96	23.39
…if there would be no indexing	2.28	6.78	6.57	12.09	13.97	16.01	16.86	17.67	18.96	23.39
…if there would be CPI indexing	2.18	6.59	6.40	11.80	13.73	15.66	16.50	17.35	18.62	23.03
…if there would be AWE indexing	2.15	6.55	6.32	11.72	13.65	15.57	16.38	17.23	18.54	22.92
AITR in 2002/03	2.53	6.92	6.69	12.56	14.18	16.43	17.30	18.15	19.42	23.88
…if there would be no indexing	2.53	6.92	6.69	12.56	14.18	16.43	17.30	18.15	19.42	23.88
…if there would be CPI indexing	2.26	6.57	6.26	11.96	13.85	15.81	16.58	17.48	18.83	23.18
…if there would be AWE indexing	2.17	6.50	5.99	11.75	13.72	15.53	16.33	17.27	18.58	22.93
AITR in 2003/04	2.70	6.82	6.36	12.36	14.28	16.35	17.16	17.99	19.33	23.82
…if there would be no indexing	2.70	7.07	6.69	12.81	14.62	16.84	17.74	18.48	19.85	24.35
…if there would be CPI indexing	2.33	6.52	6.12	12.05	13.97	15.88	16.68	17.62	18.89	23.34
…if there would be AWE indexing	2.17	6.28	5.73	11.57	13.58	15.38	16.08	17.12	18.36	22.76
AITR in 2004/05	3.05	6.79	6.66	12.68	14.50	16.77	17.60	18.38	19.71	24.27
…if there would be no indexing	3.05	7.10	7.05	13.02	14.86	17.30	18.20	18.84	20.23	24.81
…if there would be CPI indexing	2.60	6.32	6.27	12.19	14.05	15.99	16.87	17.79	19.09	23.44
…if there would be AWE indexing	2.33	6.06	5.76	11.52	13.64	15.35	16.09	17.14	18.36	22.76
AITR in 2005/06	3.35	7.00	7.05	12.74	14.90	17.19	18.05	18.78	20.13	24.72
…if there would be no indexing	3.35	7.39	7.32	13.13	15.22	17.81	18.60	19.24	20.69	25.25
…if there would be CPI indexing	2.81	6.37	6.45	12.13	14.29	16.18	17.13	17.97	19.28	23.65
…if there would be AWE indexing	2.51	5.96	5.81	11.50	13.71	15.34	16.14	17.18	18.43	22.74

TABLE 4b: AVERAGE (individual) INCOME TAX RATE (AITR) BY INCOME DECILE UNDER DIFFERENT SCENARIOS FOR WORKING AGE HEADS

	INCOME DECILE									
	0 - 10	10 - 20	20 - 30	30 - 40	40 - 50	50 - 60	60 - 70	70 - 80	80 - 90	90 - 100
AITR in 1999/2000 (pre-ANTS)	3.19	10.22	11.96	16.10	17.28	19.28	21.74	23.05	25.98	32.33
AITR in 2000/01 (ANTS)	2.28	8.49	11.09	14.60	16.41	18.14	19.62	20.84	23.16	28.98
…if there would be no indexing	2.28	8.49	11.09	14.60	16.41	18.14	19.62	20.84	23.16	28.98
…if there would be CPI indexing	2.28	8.49	11.09	14.60	16.41	18.14	19.62	20.84	23.16	28.98
…if there would be AWE indexing	2.28	8.49	11.09	14.60	16.41	18.14	19.62	20.84	23.16	28.98
AITR in 2001/02	2.96	8.65	11.91	15.11	16.82	18.55	20.30	21.55	23.86	29.68
…if there would be no indexing	2.96	8.65	11.91	15.11	16.82	18.55	20.30	21.55	23.86	29.68
…if there would be CPI indexing	2.72	8.49	11.50	14.74	16.54	18.25	19.88	21.14	23.47	29.27
…if there would be AWE indexing	2.66	8.45	11.32	14.64	16.40	18.19	19.77	21.00	23.35	29.15
AITR in 2002/03	3.67	8.65	12.20	15.42	17.19	19.06	20.87	22.16	24.40	30.30
…if there would be no indexing	3.67	8.65	12.20	15.42	17.19	19.06	20.87	22.16	24.40	30.30
…if there would be CPI indexing	3.21	8.32	11.24	14.78	16.69	18.53	20.00	21.37	23.67	29.54
…if there would be AWE indexing	3.03	8.21	10.92	14.51	16.51	18.31	19.70	21.06	23.42	29.25
AITR in 2003/04	3.93	8.65	11.73	15.09	17.16	18.94	20.71	22.03	24.25	30.22
…if there would be no indexing	3.93	8.69	12.53	15.57	17.67	19.46	21.39	22.67	24.87	30.81
…if there would be CPI indexing	3.23	8.20	11.26	14.71	16.86	18.65	20.18	21.49	23.81	29.71
…if there would be AWE indexing	2.91	7.94	10.48	14.24	16.33	18.19	19.51	20.83	23.19	29.09
AITR in 2004/05	4.38	8.64	12.28	15.43	17.44	19.36	21.23	22.52	24.71	30.66
…if there would be no indexing	4.38	8.76	13.02	15.99	17.90	19.94	21.91	23.15	25.31	31.25
…if there would be CPI indexing	3.51	8.10	11.48	14.86	16.85	18.83	20.38	21.74	23.93	29.87
…if there would be AWE indexing	3.08	7.69	10.46	14.29	16.20	18.23	19.57	20.85	23.15	29.09
AITR in 2005/06	4.81	8.78	12.81	15.84	17.68	19.85	21.81	23.01	25.13	31.16
…if there would be no indexing	4.81	8.93	13.62	16.28	18.17	20.44	22.47	23.66	25.73	31.76
…if there would be CPI indexing	3.83	8.10	11.67	15.05	17.02	19.07	20.64	21.98	24.11	30.12
…if there would be AWE indexing	3.28	7.63	10.50	14.33	16.16	18.34	19.58	20.87	23.18	29.11

TABLE 5: AVERAGE (individual) INCOME TAX RATE (AITR) BY UNIT TYPE UNDER DIFFERENT SCENARIOS

	Couple	Single female	Single male	Couple with dependent children	Sole Parent
AITR in 1999/2000 (pre-ANTS)	15.27	12.41	16.76	19.25	11.64
AITR in 2000/01 (ANTS)	13.34	10.82	14.46	17.83	15.19
…if there would be no indexing	13.34	10.82	14.46	17.83	15.19
…if there would be CPI indexing	13.34	10.82	14.46	17.83	15.19
…if there would be AWE indexing	13.34	10.82	14.46	17.83	15.19
AITR in 2001/02	13.72	11.05	15.01	18.30	15.61
…if there would be no indexing	13.72	11.05	15.01	18.30	15.61
…if there would be CPI indexing	13.46	10.80	14.71	17.96	15.32
…if there would be AWE indexing	13.38	10.72	14.61	17.86	15.23
AITR in 2002/03	14.06	11.32	15.43	18.75	15.95
…if there would be no indexing	14.06	11.32	15.43	18.75	15.95
…if there would be CPI indexing	13.56	10.84	14.85	18.10	15.39
…if there would be AWE indexing	13.37	10.66	14.63	17.86	15.18
AITR in 2003/04	13.96	11.25	15.36	18.64	15.71
…if there would be no indexing	14.38	11.59	15.79	19.14	16.27
…if there would be CPI indexing	13.64	10.88	14.94	18.19	15.45
…if there would be AWE indexing	13.22	10.49	14.46	17.65	14.99
AITR in 2004/05	14.29	11.55	15.72	19.03	16.09
…if there would be no indexing	14.71	11.90	16.16	19.54	16.67
…if there would be CPI indexing	13.77	10.99	15.08	18.34	15.61
…if there would be AWE indexing	13.23	10.49	14.46	17.65	15.03
AITR in 2005/06	14.63	11.86	16.09	19.44	16.49
…if there would be no indexing	15.06	12.22	16.54	19.95	17.09
…if there would be CPI indexing	13.94	11.13	15.25	18.53	15.82
…if there would be AWE indexing	13.27	10.50	14.48	17.67	15.09

TABLE 3: DIFFERENCES IN BEHAVIOURAL RESPONSES: Comparing alternatives to the actual situation evaluated at 2003/04 (by unit type)

Additional percentage point increase (pos) / decrease (neg) in predicted LF participation

	Under no indexing	Under CPI indexing	Under AWE indexing
Couples (men)	-0.17	0.07	0.22
Couples (women)	-0.25	0.14	0.28
Single men	-0.38	0.26	0.47
Single women	-0.17	0.07	0.19
Sole parents	-1.08	0.53	1.31

Additional increase (pos) / decrease (neg) in predicted average hours worked (abs. values)

	Under no indexing	Under CPI indexing	Under AWE indexing
Couples (men)	-0.08	0.04	0.11
Couples (women)	-0.09	0.05	0.11
Single men	-0.16	0.11	0.20
Single women	-0.07	0.02	0.06
Sole parents	-0.41	0.24	0.57

Additional costs (pos) / savings (neg) for governement (millions of dollars)
……..….when taking predicted labour supply responses into account

	Under no indexing	Under CPI indexing	Under AWE indexing
Couples	-1136.4	993.9	2266.8
Single men	-161.0	150.3	446.4
Single women	-149.2	143.6	330.5
Sole parents	62.4	-42.1	-84.0

Additional costs (pos) / savings (neg) for governement (millions of dollars)
……...…….when ignoring labour supply responses

	Under no indexing	Under CPI indexing	Under AWE indexing
Couples	-1520.8	1208.2	2766.1
Single men	-393.9	309.2	709.2
Single women	-233.2	178.2	410.8
Sole parents	-59.3	34.7	87.6

TRANSITION MATRICES: Movements into and out of the five tax brackets under different scenarios

TABLE 6: Transition matrix between tax brackets in 2000/01 and 2003/04

Key
frequency
row percentage

tax rate 2000/01 tru	tax rate 2003/04 tru 0	.17	.3	.42	.47	Total
0	2740351.9	85,482.91	0	0	0	2825834.8
	96.97	3.03	0.00	0.00	0.00	100.00
.17	19,955.13	5012847	117,929.7	0	0	5150731.8
	0.39	97.32	2.29	0.00	0.00	100.00
.3	0	0	4794752.9	337,773.3	0	5132526.2
	0.00	0.00	93.42	6.58	0.00	100.00
.42	0	0	0	497,611.2	279,374.9	776,986.1
	0.00	0.00	0.00	64.04	35.96	100.00
.47	0	0	0	0	1042907.6	1042907.6
	0.00	0.00	0.00	0.00	100.00	100.00
Total	2760307	5098329.9	4912682.6	835,384.5	1322282.5	14928987
	18.49	34.15	32.91	5.60	8.86	100.00

TABLE 7: Transition matrix between tax brackets in 2000/01 and 2003/04 had there been no indexing since 2000/01

tax rate 2000/01 tru	tax rate 2003/04 niw 0	.17	.3	.42	.47	Total
0	2740351.9	85,482.91	0	0	0	2825834.8
	96.97	3.03	0.00	0.00	0.00	100.00
.17	19,955.13	4753347.8	377,428.8	0	0	5150731.8
	0.39	92.28	7.33	0.00	0.00	100.00
.3	0	0	4659285.7	473,240.6	0	5132526.2
	0.00	0.00	90.78	9.22	0.00	100.00
.42	0	0	0	293,583.2	483,402.9	776,986.1
	0.00	0.00	0.00	37.78	62.22	100.00
.47	0	0	0	0	1042907.6	1042907.6
	0.00	0.00	0.00	0.00	100.00	100.00
Total	2760307	4838830.7	5036714.5	766,823.8	1526310.5	14928987
	18.49	32.41	33.74	5.14	10.22	100.00

TABLE 8: Transition matrix between tax brackets in 2000/01 and 2003/04 had there been indexing by CPI since 2000/01

Key
frequency
row percentage

tax rate 2000/01 tru	tax rate 2003/04 cpi 0	.17	.3	.42	.47	Total
0	2808414.3	17,420.44	0	0	0	2825834.8
	99.38	0.62	0.00	0.00	0.00	100.00
.17	27,547.51	5041777.2	81,407.11	0	0	5150731.8
	0.53	97.88	1.58	0.00	0.00	100.00
.3	0	290.1722	4972138.7	160,097.4	0	5132526.2
	0.00	0.01	96.88	3.12	0.00	100.00
.42	0	0	0	656,512.3	120,473.8	776,986.1
	0.00	0.00	0.00	84.49	15.51	100.00
.47	0	0	0	0	1042907.6	1042907.6
	0.00	0.00	0.00	0.00	100.00	100.00
Total	2835961.8	5059487.8	5053545.8	816,609.7	1163381.4	14928987
	19.00	33.89	33.85	5.47	7.79	100.00

TABLE 9: Transition matrix between tax brackets in 2000/01 and 2003/04 had there been indexing by AWE since 2000/01

tax rate 2000/01 tru	tax rate 2003/04 awe 0	.17	.3	.42	.47	Total
0	2823817.9	2,016.819	0	0	0	2825834.8
	99.93	0.07	0.00	0.00	0.00	100.00
.17	74,155.11	5073223.1	3,353.618	0	0	5150731.8
	1.44	98.50	0.07	0.00	0.00	100.00
.3	0	60,931.23	5061888.3	9,706.655	0	5132526.2
	0.00	1.19	98.62	0.19	0.00	100.00
.42	0	0	73,748.16	697,277.6	5,960.322	776,986.1
	0.00	0.00	9.49	89.74	0.77	100.00
.47	0	0	0	25,202.5	1017705.1	1042907.6
	0.00	0.00	0.00	2.42	97.58	100.00
Total	2897973.1	5136171.1	5138990.1	732,186.7	1023665.5	14928987
	19.41	34.40	34.42	4.90	6.86	100.00

TABLE 10: Transition matrix between tax brackets in 2000/01 and 2005/06 if there be no further indexing

Key
frequency
row percentage

tax rate 2000/01 tru	tax rate 2005/06 tru 0	.17	.3	.42	.47	Total
0	2693187.9	132,646.9	0	0	0	2825834.8
	95.31	4.69	0.00	0.00	0.00	100.00
.17	21,964.12	4769609.3	359,158.4	0	0	5150731.8
	0.43	92.60	6.97	0.00	0.00	100.00
.3	0	0	4446497.3	686,029	0	5132526.2
	0.00	0.00	86.63	13.37	0.00	100.00
.42	0	0	0	134,680.4	642,305.6	776,986.1
	0.00	0.00	0.00	17.33	82.67	100.00
.47	0	0	0	0	1042907.6	1042907.6
	0.00	0.00	0.00	0.00	100.00	100.00
Total	2715152	4902256.2	4805655.6	820,709.4	1685213.3	14928987
	18.19	32.84	32.19	5.50	11.29	100.00

TABLE 11: Transition matrix between tax brackets in 2000/01 and 2005/06 if there had been no indexing since 2000/01 and there will not be any indexing in the future

tax rate 2000/01 tru	tax rate 2005/06 niw 0	.17	.3	.42	.47	Total
0	2693187.9	132,646.9	0	0	0	2825834.8
	95.31	4.69	0.00	0.00	0.00	100.00
.17	21,964.12	4562768.3	565,999.4	0	0	5150731.8
	0.43	88.58	10.99	0.00	0.00	100.00
.3	0	0	4211897.2	845,977	74,652.1	5132526.2
	0.00	0.00	82.06	16.48	1.45	100.00
.42	0	0	0	36,355.89	740,630.2	776,986.1
	0.00	0.00	0.00	4.68	95.32	100.00
.47	0	0	0	0	1042907.6	1042907.6
	0.00	0.00	0.00	0.00	100.00	100.00
Total	2715152	4695415.2	4777896.5	882,332.9	1858189.9	14928987
	18.19	31.45	32.00	5.91	12.45	100.00

TABLE 12: Transition matrix between tax brackets in 2000/01 and 2005/06 if there would have been CPI indexing since 2000/01

Key
frequency
row percentage

tax rate 2000/01 tru	tax rate 2005/06 cpi 0	.17	.3	.42	.47	Total
0	2790815.3	35,019.51	0	0	0	2825834.8
	98.76	1.24	0.00	0.00	0.00	100.00
.17	32,250.6	4925100.8	193,380.4	0	0	5150731.8
	0.63	95.62	3.75	0.00	0.00	100.00
.3	0	290.1722	4864894.6	267,341.4	0	5132526.2
	0.00	0.01	94.79	5.21	0.00	100.00
.42	0	0	0	555,552.7	221,433.4	776,986.1
	0.00	0.00	0.00	71.50	28.50	100.00
.47	0	0	0	0	1042907.6	1042907.6
	0.00	0.00	0.00	0.00	100.00	100.00
Total	2823065.8	4960410.5	5058275	822,894.1	1264341	14928987
	18.91	33.23	33.88	5.51	8.47	100.00

TABLE 13: Transition matrix between tax brackets in 2000/01 and 2005/06 if there would be AWE indexing since 2000/01

tax rate 2000/01 tru	tax rate 2005/06 awe 0	.17	.3	.42	.47	Total
0	2823817.9	2,016.819	0	0	0	2825834.8
	99.93	0.07	0.00	0.00	0.00	100.00
.17	97,454.2	5048958.7	4,318.912	0	0	5150731.8
	1.89	98.02	0.08	0.00	0.00	100.00
.3	0	60,931.23	5061888.3	9,706.655	0	5132526.2
	0.00	1.19	98.62	0.19	0.00	100.00
.42	0	0	73,748.16	697,277.6	5,960.322	776,986.1
	0.00	0.00	9.49	89.74	0.77	100.00
.47	0	0	0	25,202.5	1017705.1	1042907.6
	0.00	0.00	0.00	2.42	97.58	100.00
Total	2921272.1	5111906.7	5139955.4	732,186.7	1023665.5	14928987
	19.57	34.24	34.43	4.90	6.86	100.00

TABLE 14: Transition matrix between tax brackets in 2003/04 and 2005/06 if there would be no further indexing

Key
frequency
row percentage

tax rate 2003/04 tru	tax rate 2005/06 tru 0	.17	.3	.42	.47	Total
0	2712085.8	48,221.21	0	0	0	2760307
	98.25	1.75	0.00	0.00	0.00	100.00
.17	3,066.253	4854035	241,228.7	0	0	5098329.9
	0.06	95.21	4.73	0.00	0.00	100.00
.3	0	0	4564426.9	348,255.7	0	4912682.6
	0.00	0.00	92.91	7.09	0.00	100.00
.42	0	0	0	472,453.7	362,930.7	835,384.5
	0.00	0.00	0.00	56.56	43.44	100.00
.47	0	0	0	0	1322282.5	1322282.5
	0.00	0.00	0.00	0.00	100.00	100.00
Total	2715152	4902256.2	4805655.6	820,709.4	1685213.3	14928987
	18.19	32.84	32.19	5.50	11.29	100.00

TABLE 15: Transition matrix between tax brackets in 2003/04 and 2005/06 if the 2005/06 tax thresholds be set such as to reflect CPI indexing since 2000/01

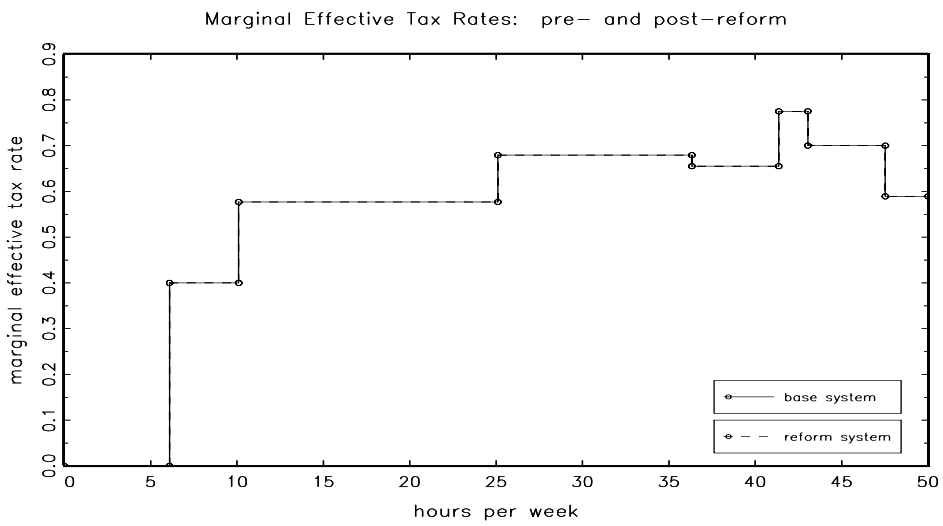
tax rate 2003/04 tru	tax rate 2005/06 cpi 0	.17	.3	.42	.47	Total
0	2760307	0	0	0	0	2760307
	100.00	0.00	0.00	0.00	0.00	100.00
.17	62,758.87	4960120.3	75,450.73	0	0	5098329.9
	1.23	97.29	1.48	0.00	0.00	100.00
.3	0	290.1722	4912392.4	0	0	4912682.6
	0.00	0.01	99.99	0.00	0.00	100.00
.42	0	0	70,431.87	764,952.6	0	835,384.5
	0.00	0.00	8.43	91.57	0.00	100.00
.47	0	0	0	57,941.49	1264341	1322282.5
	0.00	0.00	0.00	4.38	95.62	100.00
Total	2823065.8	4960410.5	5058275	822,894.1	1264341	14928987
	18.91	33.23	33.88	5.51	8.47	100.00

TABLE 16: Transition matrix between tax brackets in 2003/04 and 2005/06 if the 2005/06 tax tresholds be set such as to reflect AWE indexing since 2000/01

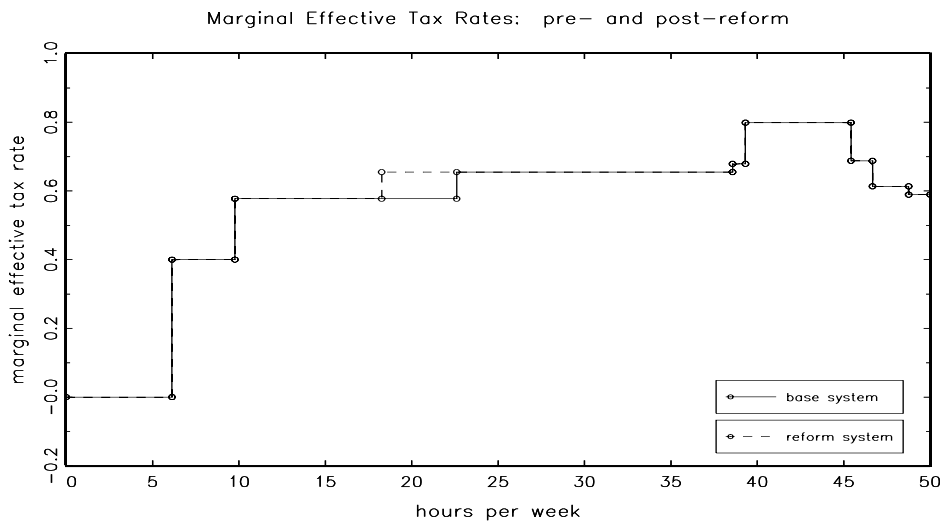
Key
frequency
row percentage

tax rate 2003/04 tru	tax rate 2005/06 awe 0	.17	.3	.42	.47	Total
0	2760307	0	0	0	0	2760307
	100.00	0.00	0.00	0.00	0.00	100.00
.17	160,965.2	4937364.7	0	0	0	5098329.9
	3.16	96.84	0.00	0.00	0.00	100.00
.3	0	174,542	4738140.6	0	0	4912682.6
	0.00	3.55	96.45	0.00	0.00	100.00
.42	0	0	401,814.8	433,569.7	0	835,384.5
	0.00	0.00	48.10	51.90	0.00	100.00
.47	0	0	0	298,617.1	1023665.5	1322282.5
	0.00	0.00	0.00	22.58	77.42	100.00
Total	2921272.1	5111906.7	5139955.4	732,186.7	1023665.5	14928987
	19.57	34.24	34.43	4.90	6.86	100.00

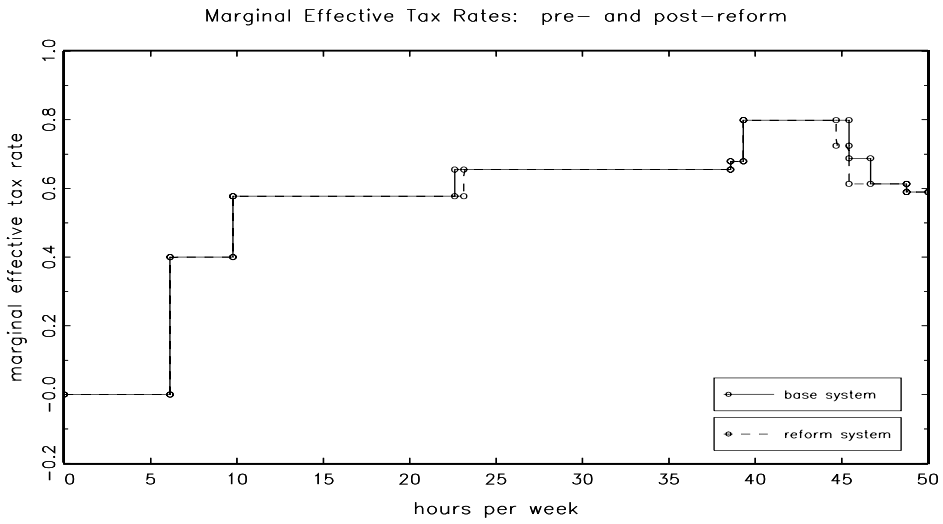
FIGURES A: EMTR graphs comparing actual (=base) to alternative (=reform) tax policies (2003/04 hypothetical single parent)



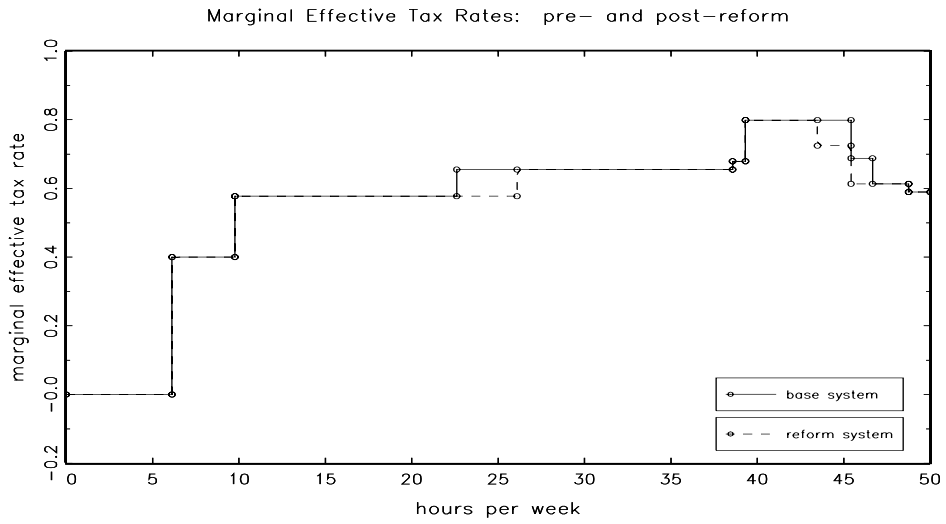
2000/2001 ANTS EMTRS for a Single Parent.



2003/04 EMTRS for a Single Parent (base) versus no indexing (reform)

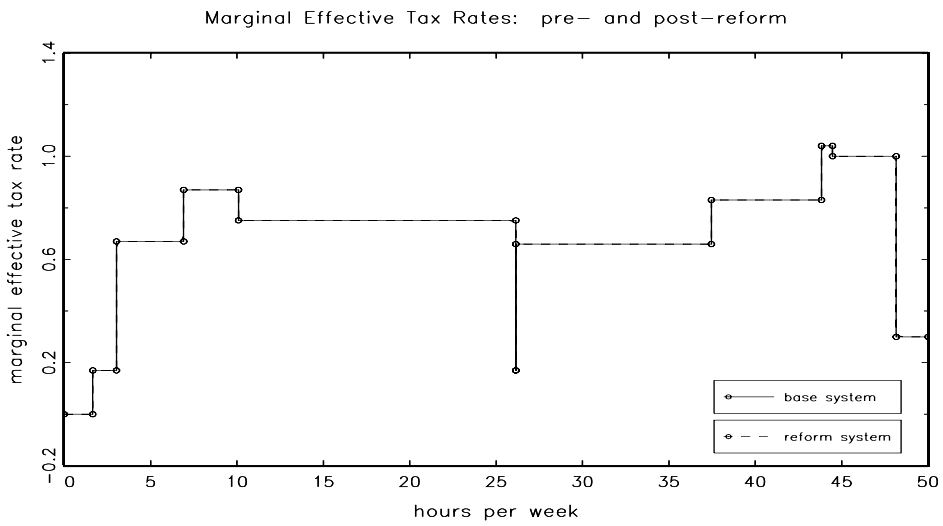


2003/04 EMTRS for a Single Parent (base) versus CPI indexing (reform)

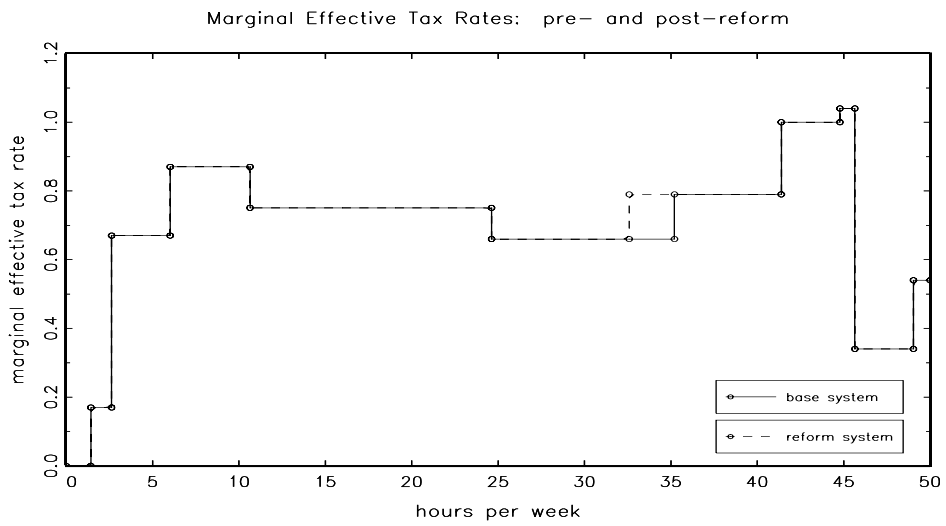


2003/04 EMTRS for a Single Parent (base) versus AWE indexing (reform)

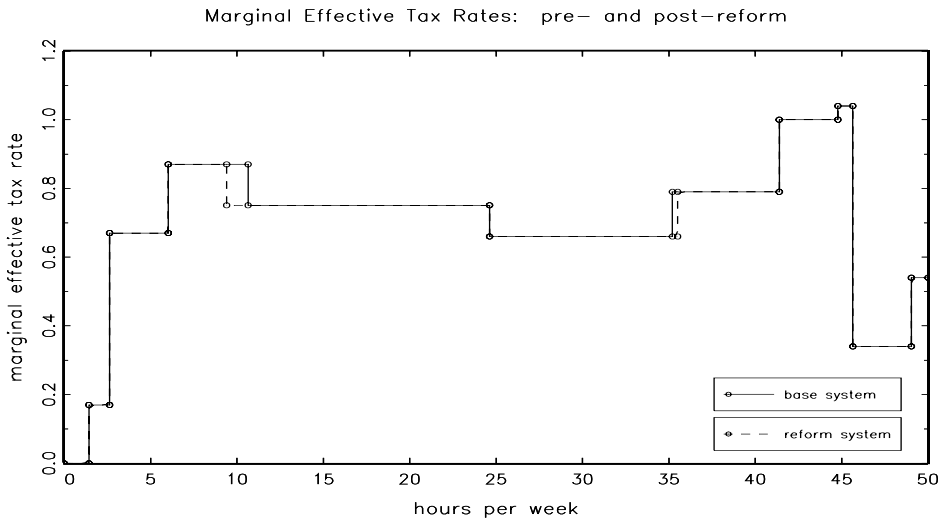
FIGURES C: EMTR graphs comparing actual (=base) to alternative (=reform) tax policies (2003/04 hypothetical low wage family)



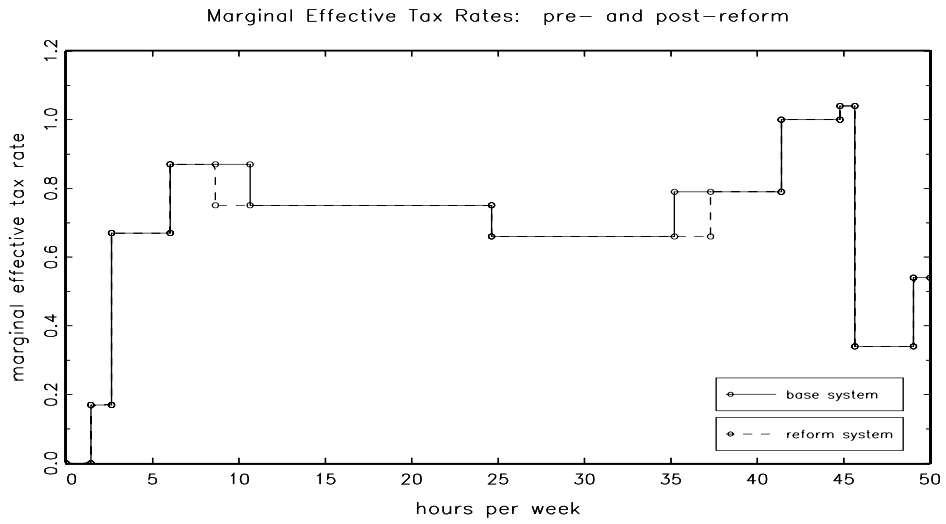
2000/2001 ANTS EMTRS for a low wage family.



2003/04 EMTRS for a low wage family (base) versus no indexing (reform)

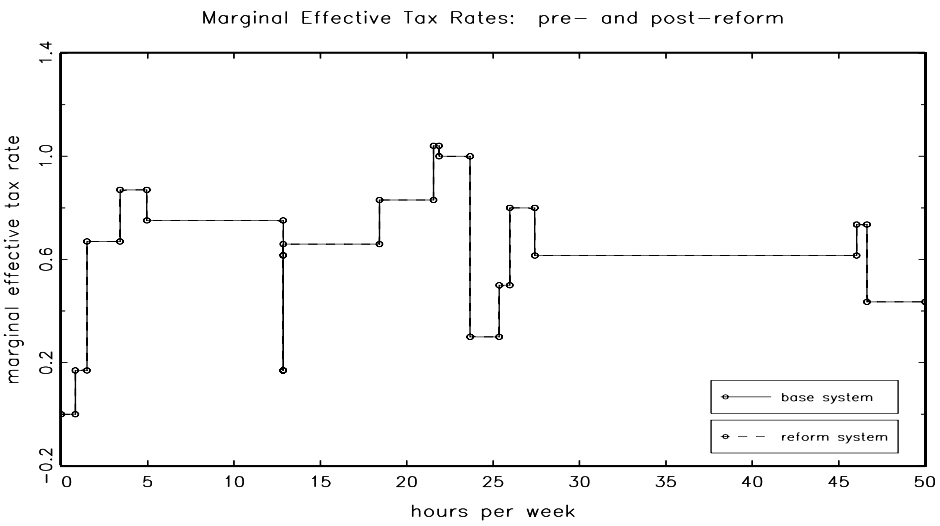


2003/04 EMTRS for a low wage family (base) versus CPI indexing (reform)

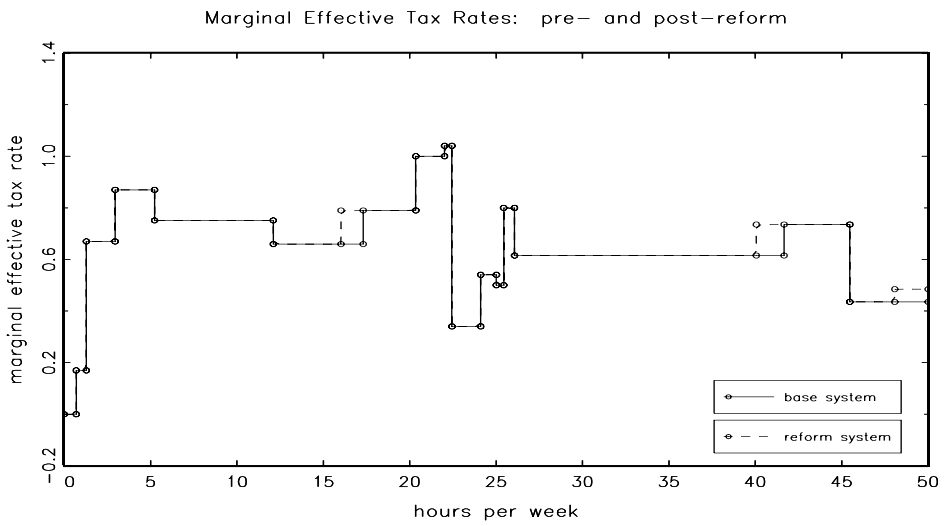


2003/04 EMTRS for a low wage family (base) versus AWE indexing (reform)

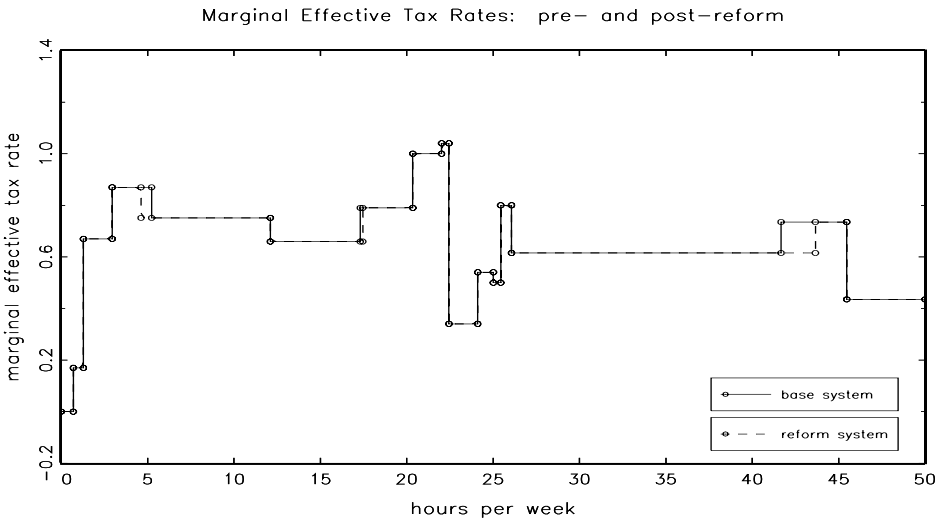
FIGURES D: EMTR graphs comparing actual (=base) to alternative (=reform) tax policies (2003/04 hypothetical average wage family)



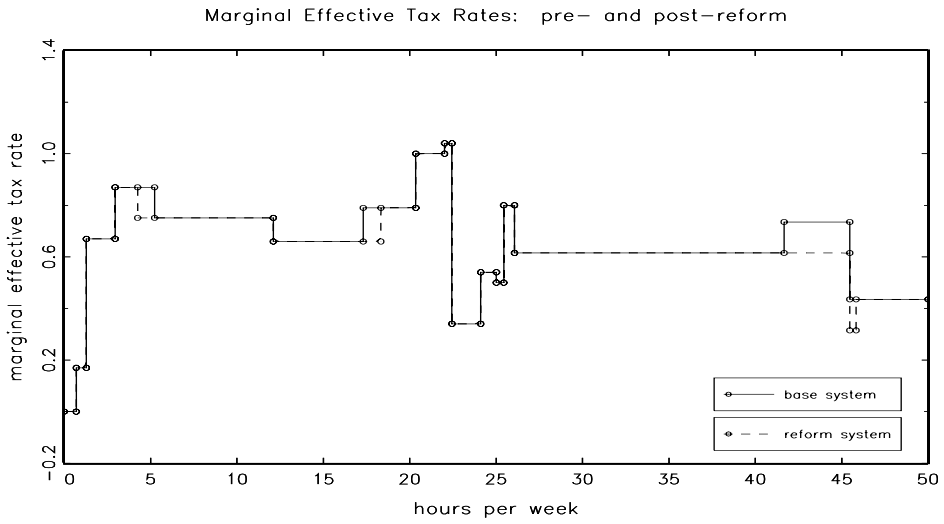
2000/2001 ANTS EMTRS for an avg wage family.



2003/04 EMTRS for an avg wage family (base) versus no indexing (reform)

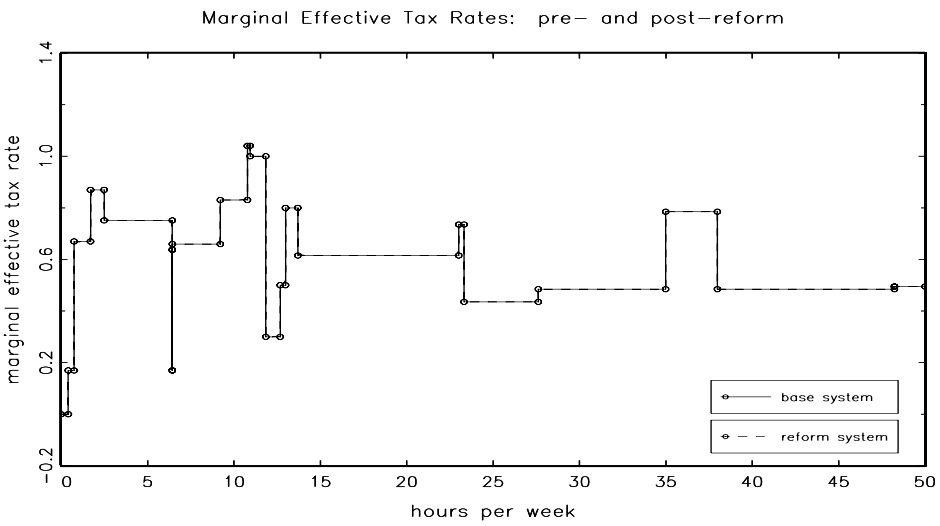


2003/04 EMTRS for an avg wage family (base) versus CPI indexing (reform)

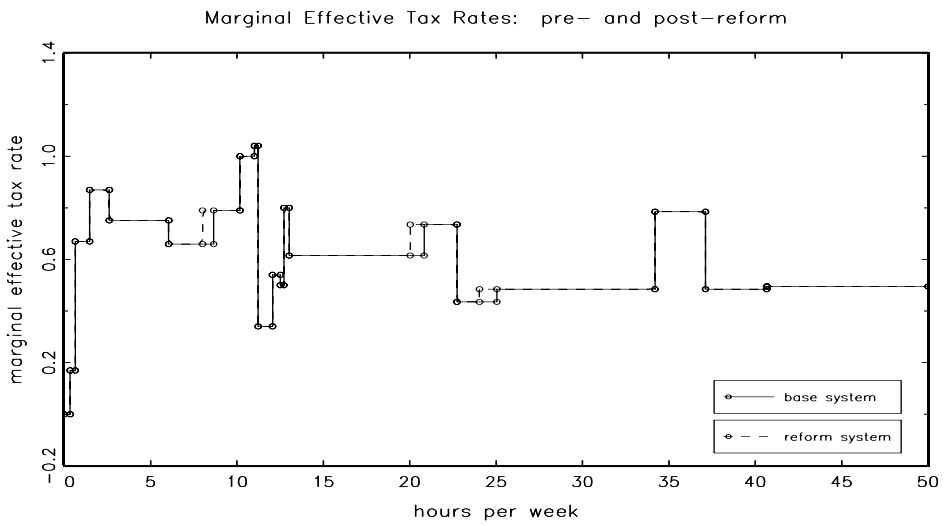


2003/04 EMTRS for an avg wage family (base) versus AWE indexing (reform)

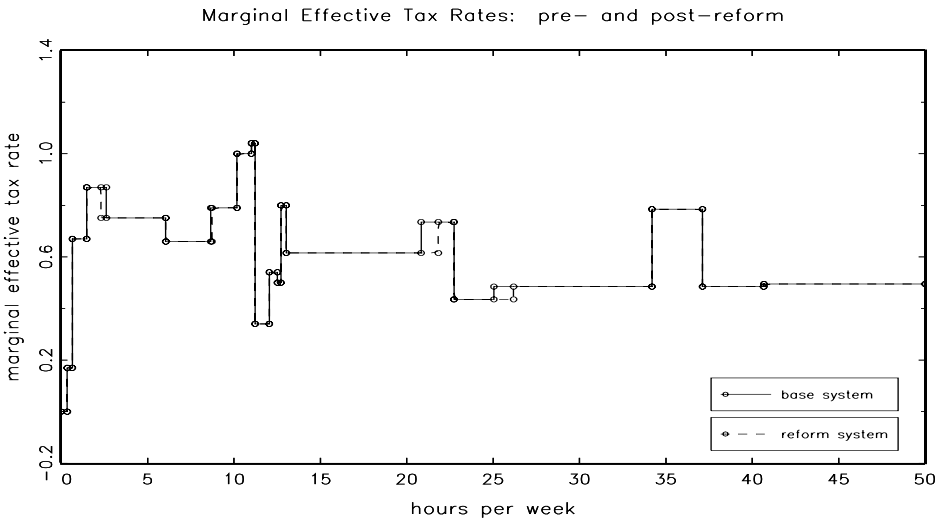
FIGURES E: EMTR graphs comparing actual (=base) to alternative (=reform) tax policies (2003/04 hypothetical high wage family)



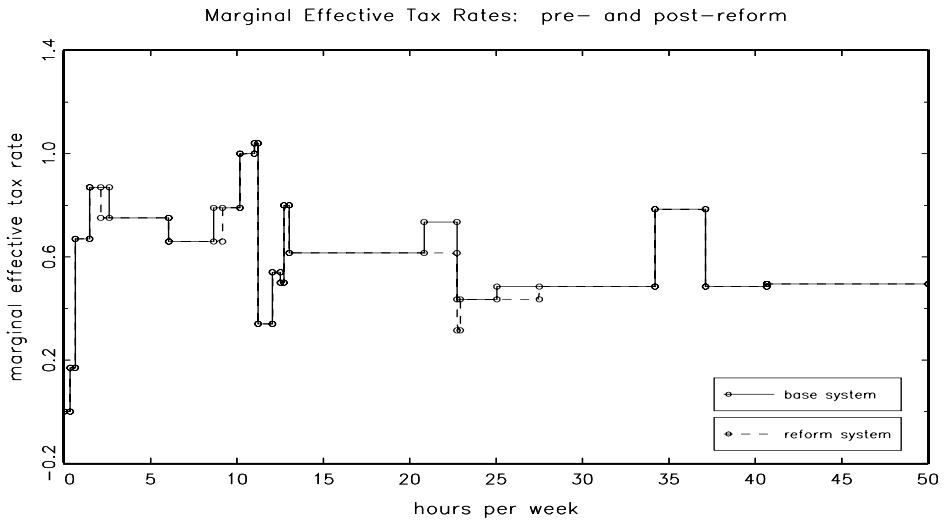
2000/2001 ANTS EMTRS for a high wage family.



2003/04 EMTRS for a high wage family (base) versus no indexing (reform)

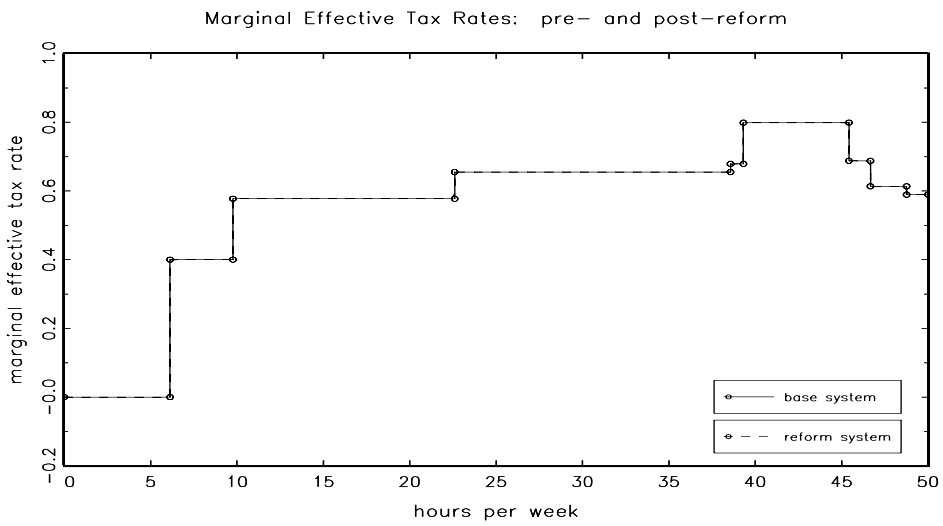


2003/04 EMTRS for a high wage family (base) versus CPI indexing (reform)

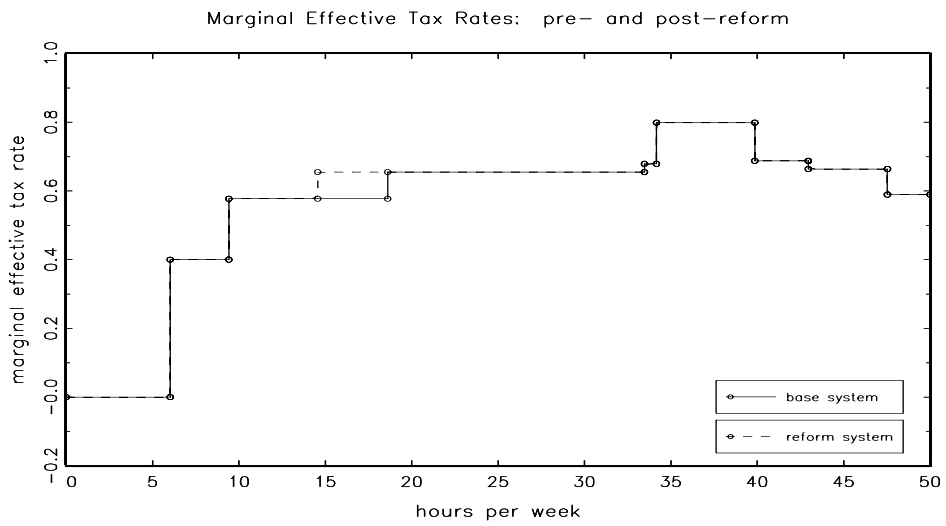


2003/04 EMTRS for a high wage family (base) versus AWE indexing (reform)

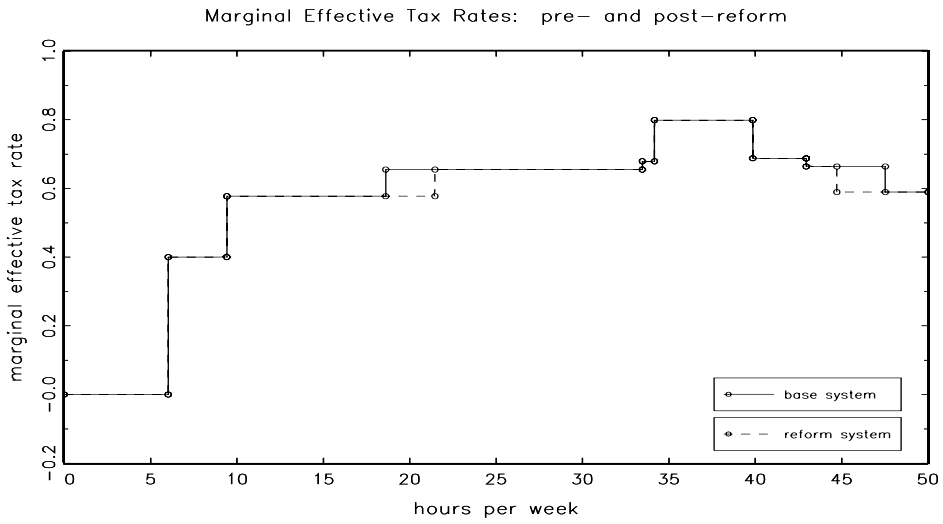
FIGURES F: EMTR graphs comparing actual (=base) to alternative (=reform) tax policies (2005/06 hypothetical single parent)



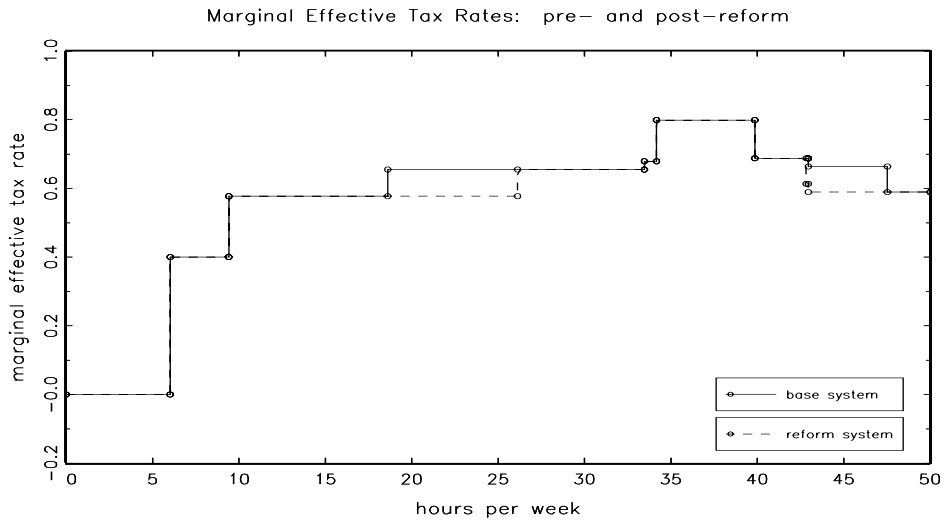
2003/04 EMTRS for a Single Parent.



2005/06 EMTRS for a Single Parent (base) versus no indexing (reform)

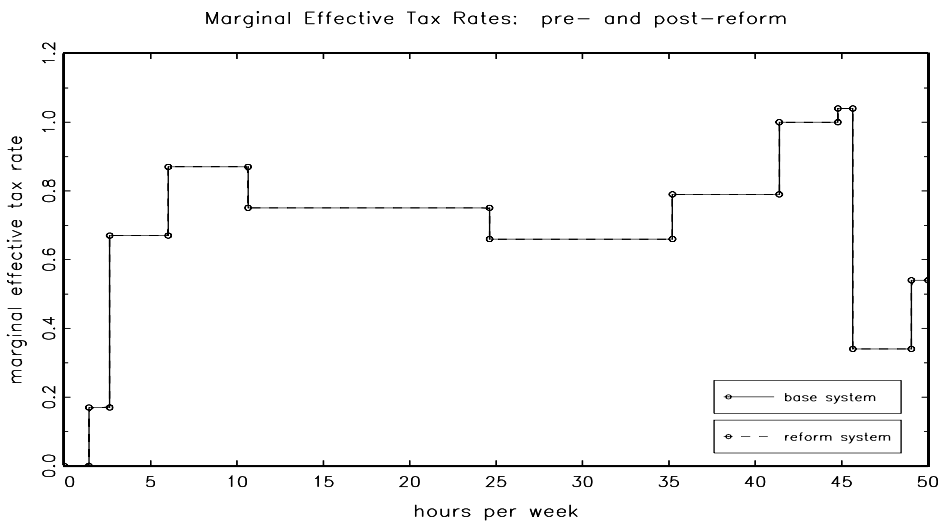


2005/06 EMTRS for a Single Parent (base) versus CPI indexing (reform)

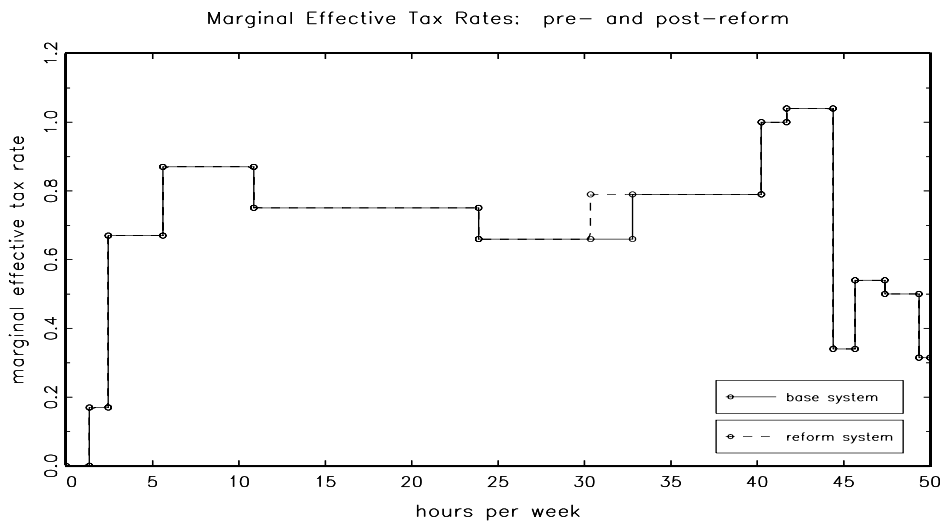


2005/06 EMTRS for a Single Parent (base) versus AWE indexing (reform)

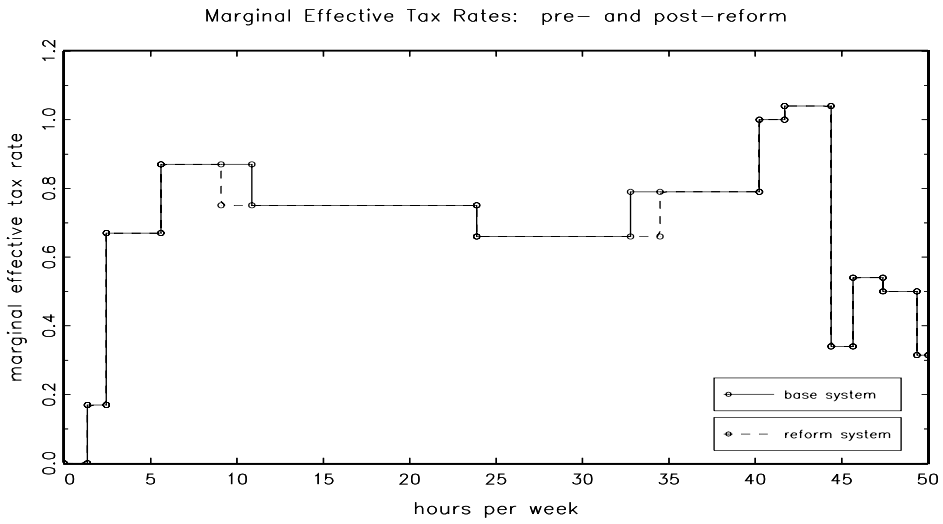
FIGURES H: EMTR graphs comparing actual (=base) to alternative (=reform) tax policies (2005/06 hypothetical low wage family)



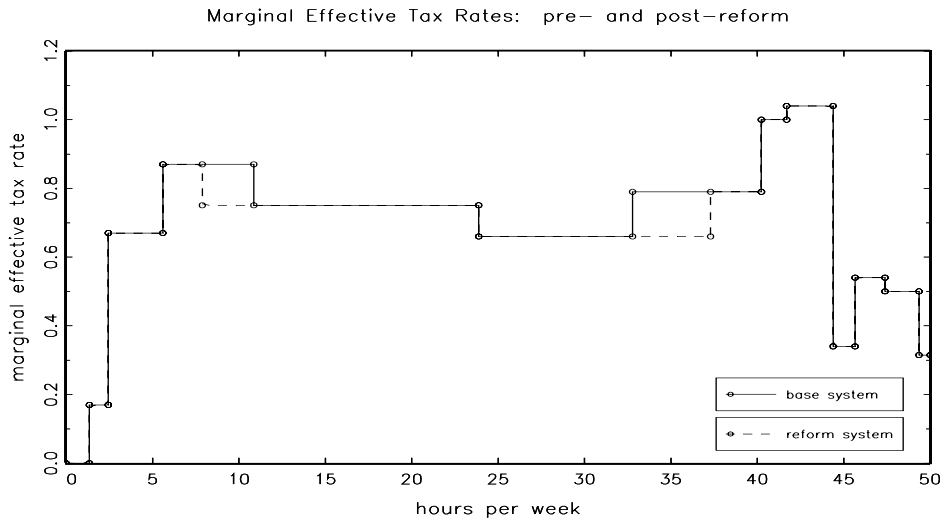
2003/04 EMTRS for a low wage family.



2005/06 EMTRS for a low wage family (base) versus no indexing (reform)

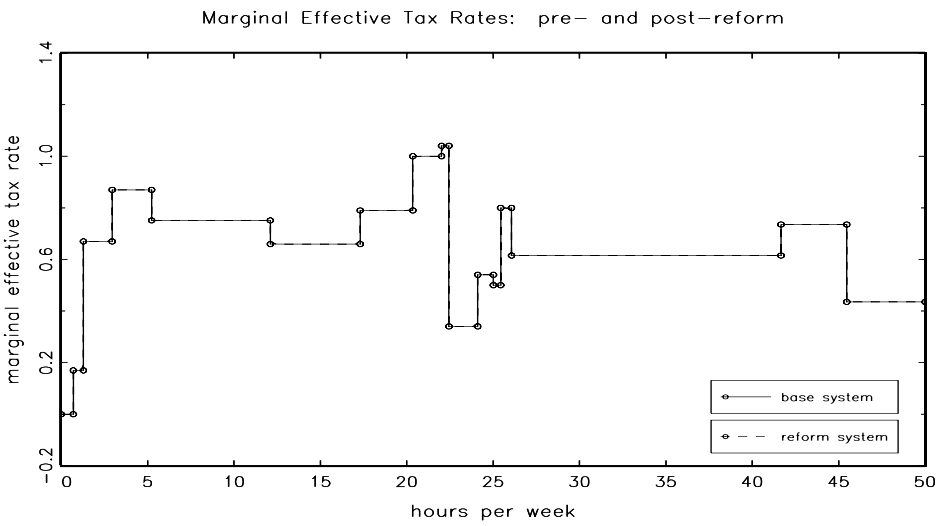


2005/06 EMTRS for a low wage family (base) versus CPI indexing (reform)

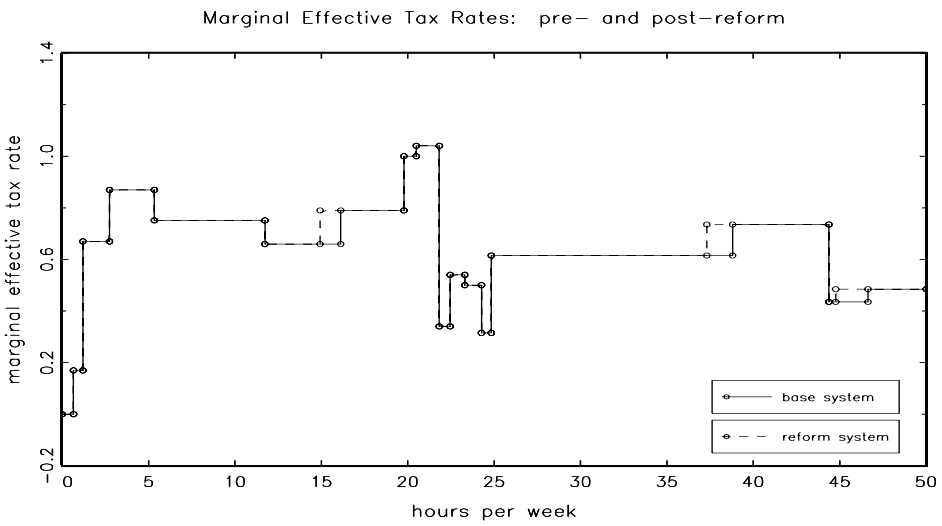


2005/06 EMTRS for a low wage family (base) versus AWE indexing (reform)

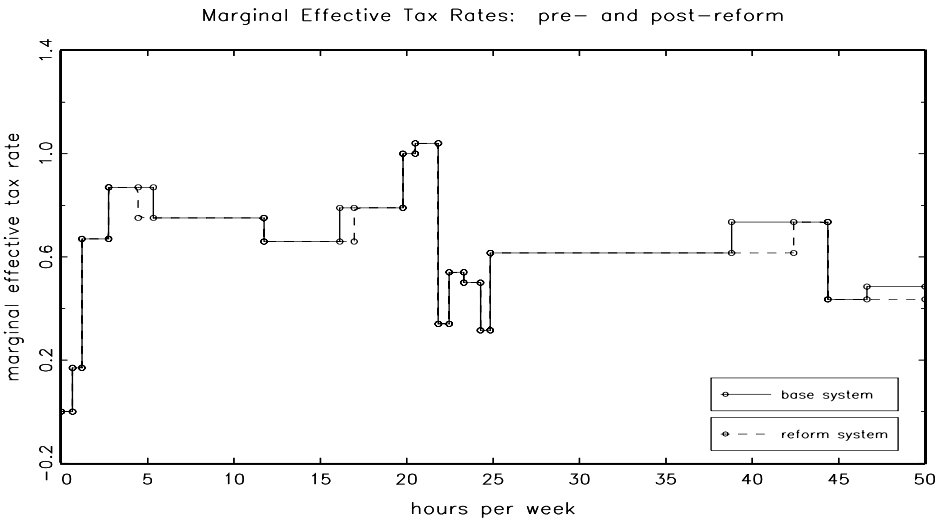
FIGURES I: EMTR graphs comparing actual (=base) to alternative (=reform) tax policies (2005/06 hypothetical average wage family)



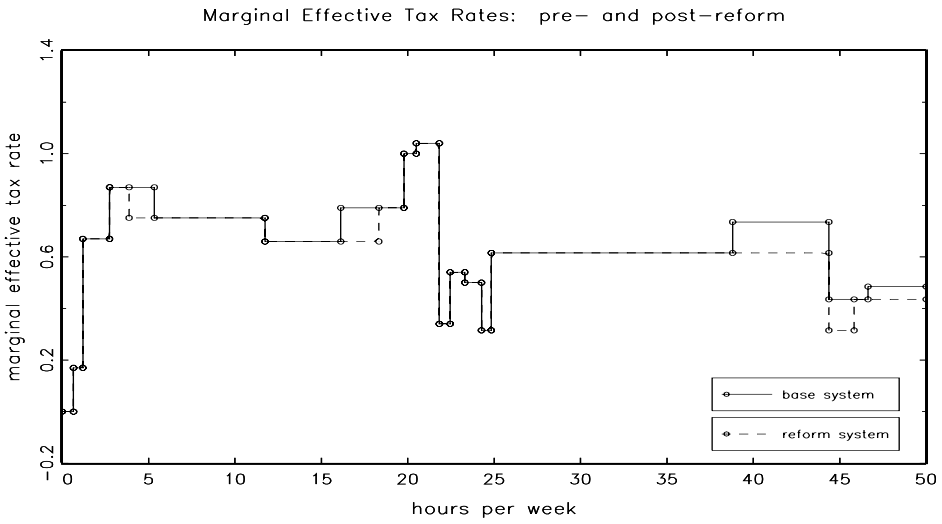
2003/04 EMTRS for an avg wage family.



2005/06 EMTRS for an avg wage family (base) versus no indexing (reform)

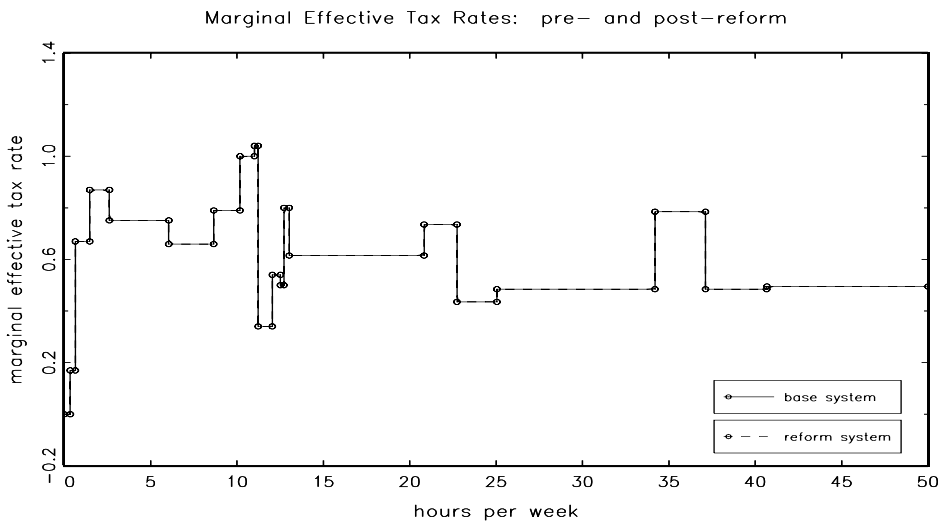


2005/06 EMTRS for an avg wage family (base) versus CPI indexing (reform)

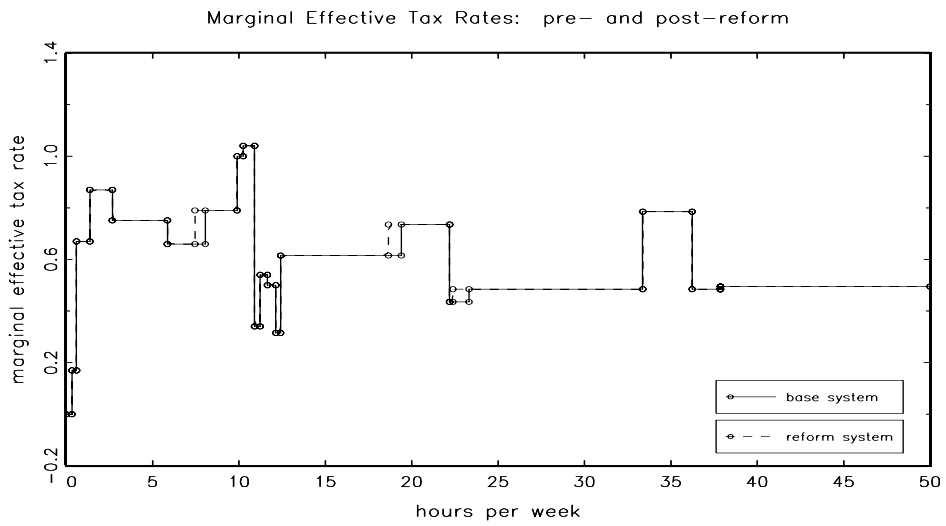


2005/06 EMTRS for an avg wage family (base) versus AWE indexing (reform)

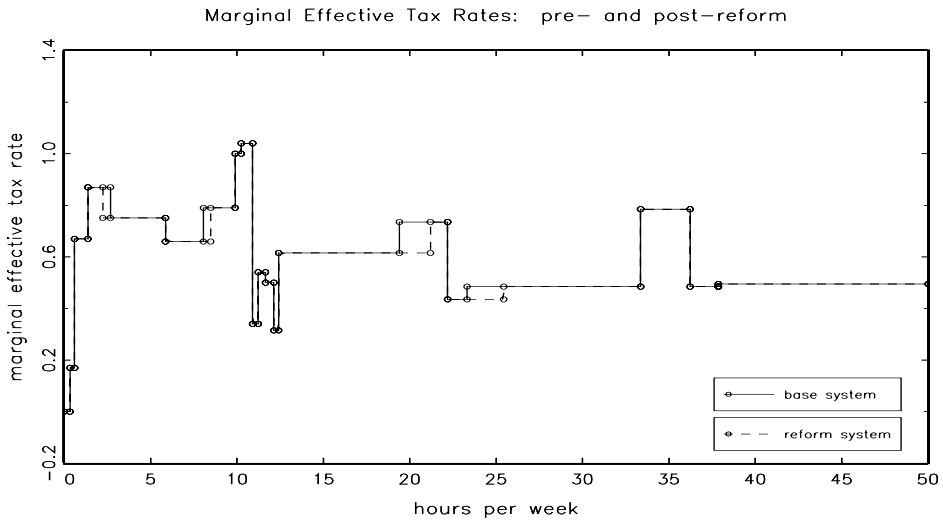
FIGURES J: EMTR graphs comparing actual (=base) to alternative (=reform) tax policies (2005/06 hypothetical high wage family)



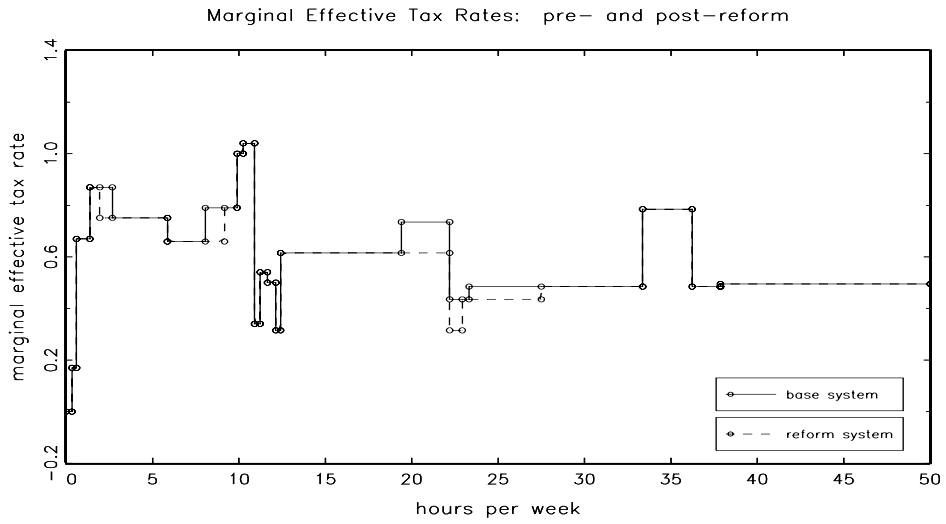
2003/04 EMTRS for a high wage family.



2005/06 EMTRS for a high wage family (base) versus no indexing (reform)



2005/06 EMTRS for a high wage family (base) versus CPI indexing (reform)



2005/06 EMTRS for a high wage family (base) versus AWE indexing (reform)

TABLES A. Detailed breakdown of the EMTR graphs in FIGURES A (single parent)

2003/04 Single parent budget constraint break down

Hours	Gross	TUNet	Mrate	Probable reason for kink
0	0	422.34	0	constraint starts
6.13	72.31	494.65	0.4	MR changes for Taxable Allowance
9.77	115.24	520.41	0.577	MR changes for Sole Parent Pension Rebate (kink not recognised)
22.61	266.77	584.5	0.655	MR changes for Income Tax
38.57	455.09	649.47	0.679	MR changes for Low Income Rebate
39.32	463.93	652.31	0.799	Medicare Levy starts
45.43	536.04	666.8	0.688	MR changes for Medicare Levy
46.67	550.67	671.37	0.613	Sole Parent Pension Rebate stops
48.75	575.27	680.89	0.589	Low Income Rebate stops
50	590	686.94	.	constraint ends

2003/04 Single parent budget constraint break down (if no indexing)

Hours	Gross	TUNet	Mrate	Probable reason for kink
0	0	422.34	0	constraint starts
6.13	72.31	494.65	0.4	MR changes for Taxable Allowance
9.77	115.24	520.41	0.577	MR changes for Sole Parent Pension Rebate (kink not recognised)
18.26	215.49	562.81	0.655	(kink not recognised)
38.57	455.09	645.47	0.679	MR changes for Low Income Rebate
39.32	463.93	648.31	0.799	Medicare Levy starts
45.43	536.04	662.8	0.688	MR changes for Medicare Levy
46.67	550.67	667.37	0.613	Sole Parent Pension Rebate stops
48.75	575.27	676.89	0.589	Low Income Rebate stops
50	590	682.94	.	constraint ends

2003/04 Single parent budget constraint break down (if CPI indexing)

Hours	Gross	TUNet	Mrate	Probable reason for kink
0	0	422.34	0	constraint starts
6.13	72.31	494.65	0.4	MR changes for Taxable Allowance
9.77	115.24	520.41	0.577	MR changes for Sole Parent Pension Rebate (kink not recognised)
23.12	272.87	587.08	0.655	(kink not recognised)
38.57	455.08	649.94	0.679	MR changes for Low Income Rebate
39.32	463.93	652.79	0.799	Medicare Levy starts
44.68	527.26	665.51	0.724	(kink not recognised)
45.43	536.04	667.94	0.613	MR changes for Medicare Levy
48.75	575.28	683.12	0.589	Low Income Rebate stops
50	590	689.17	.	constraint ends

2003/04 Single parent budget constraint break down (if AWE indexing)

Hours	Gross	TUNet	Mrate	Probable reason for kink
0	0	422.34	0	constraint starts
6.13	72.31	494.65	0.4	MR changes for Taxable Allowance
9.77	115.23	520.4	0.577	MR changes for Sole Parent Pension Rebate (kink not recognised)
26.09	307.87	601.89	0.655	(kink not recognised)
38.57	455.09	652.68	0.679	MR changes for Low Income Rebate
39.32	463.93	655.51	0.799	Medicare Levy starts
43.47	512.99	665.38	0.724	(kink not recognised)
45.43	536.04	671.74	0.613	MR changes for Medicare Levy
48.75	575.28	686.92	0.589	Low Income Rebate stops
50	590	692.97	.	constraint ends

TABLES C. Detailed breakdown of the EMTR graphs in FIGURES C (low wage family)

2003/04 Low wage family budget constraint break down

Hours	Gross	TUNet	Mrate	Probable reason for kink
0	0	548.17	0	constraint starts
1.44	16.98	565.14	0.17	(kink not recognised)
2.63	31.01	576.78	0.67	MR changes for Taxable Allowance
				MR changes for Beneficiary Tax Rebate
6.02	71.01	589.98	0.87	MR changes for Taxable Allowance
				MR changes for Beneficiary Tax Rebate
10.65	125.66	597.09	0.751	Beneficiary Tax Rebate stops
24.62	290.51	638.14	0.66	Taxable Allowance stops
				partner's MR changes for FTPB/FTBB
				partner's MR changes for Beneficiary Tax Rebate
35.2	415.38	680.59	0.79	MR changes for Income Tax
41.39	488.45	695.93	1	partner's MR changes for FTPB/FTBB
44.78	528.37	695.93	1.04	MR changes for Low Income Rebate
45.64	538.58	695.53	0.34	Taxable Allowance stops for partner
49.03	578.57	721.92	0.54	Medicare Levy starts
50	590	727.18	.	constraint ends

2003/04 Low wage family budget constraint break down (if no indexing)

Hours	Gross	TUNet	Mrate	Probable reason for kink
0	0	548.17	0	constraint starts
1.44	16.98	565.14	0.17	(kink not recognised)
2.63	31.01	576.78	0.67	MR changes for Taxable Allowance
				MR changes for Beneficiary Tax Rebate
6.02	71.01	589.98	0.87	MR changes for Taxable Allowance
				MR changes for Beneficiary Tax Rebate
10.65	125.66	597.09	0.751	Beneficiary Tax Rebate stops
24.62	290.51	638.14	0.66	Taxable Allowance stops
				partner's MR changes for FTPB/FTBB
				partner's MR changes for Beneficiary Tax Rebate
32.59	384.62	670.13	0.79	(kink not recognised)
41.39	488.45	691.93	1	partner's MR changes for FTPB/FTBB
44.78	528.37	691.93	1.04	MR changes for Low Income Rebate
45.64	538.58	691.53	0.34	Taxable Allowance stops for partner
49.03	578.57	717.92	0.54	Medicare Levy starts
50	590	723.18	.	constraint ends

2003/04 Low wage family budget constraint break down (if CPI indexing)

Hours	Gross	TUNet	Mrate	Probable reason for kink
0	0	548.17	0	constraint starts
1.44	16.97	565.13	0.17	(kink not recognised)
2.63	31	576.78	0.67	MR changes for Taxable Allowance
				MR changes for Beneficiary Tax Rebate
6.02	71.01	589.98	0.87	MR changes for Taxable Allowance
				MR changes for Beneficiary Tax Rebate
9.4	110.92	595.17	0.751	(kink not recognised)
24.62	290.51	639.89	0.66	Taxable Allowance stops
				partner's MR changes for FTPB/FTBB
				partner's MR changes for Beneficiary Tax Rebate
35.51	419.05	683.59	0.79	(kink not recognised)
41.39	488.43	698.16	1	partner's MR changes for FTPB/FTBB
44.78	528.37	698.16	1.04	MR changes for Low Income Rebate
45.64	538.58	697.76	0.34	Taxable Allowance stops for partner
49.03	578.57	724.15	0.54	Medicare Levy starts
50	590	729.41	.	constraint ends

2003/04 Low wage family budget constraint break down (if AWE indexing)

Hours	Gross	TUNet	Mrate	Probable reason for kink
0	0	548.17	0	constraint starts
1.44	16.97	565.13	0.17	(kink not recognised)
2.63	31	576.78	0.67	MR changes for Taxable Allowance
				MR changes for Beneficiary Tax Rebate
6.02	71	589.98	0.87	MR changes for Taxable Allowance
				MR changes for Beneficiary Tax Rebate
8.64	101.92	594	0.751	(kink not recognised)
24.62	290.51	640.96	0.66	Taxable Allowance stops
				partner's MR changes for FTPB/FTBB
				partner's MR changes for Beneficiary Tax Rebate
37.29	440.05	691.8	0.79	(kink not recognised)
41.39	488.45	701.96	1	partner's MR changes for FTPB/FTBB
44.78	528.38	701.96	1.04	MR changes for Low Income Rebate
45.64	538.58	701.56	0.34	Taxable Allowance stops for partner
49.03	578.56	727.95	0.54	Medicare Levy starts
50	590	733.21	.	constraint ends

TABLES D. Detailed breakdown of the EMTR graphs in FIGURES D (average wage family)

2003/04 Avg wage family budget constraint break down

Hours	Gross	TUNet	Mrate	Probable reason for kink
0	0	548.17	0	constraint starts
0.71	16.97	565.13	0.17	(kink not recognised)
1.29	31	576.78	0.67	MR changes for Taxable Allowance
				MR changes for Beneficiary Tax Rebate
2.96	71	589.98	0.87	MR changes for Taxable Allowance
				MR changes for Beneficiary Tax Rebate
5.24	125.66	597.09	0.751	Beneficiary Tax Rebate stops
12.11	290.52	638.14	0.66	Taxable Allowance stops
				partner's MR changes for FTPB/FTBB
				partner's MR changes for Beneficiary Tax Rebate
17.31	415.41	680.6	0.79	MR changes for Income Tax
20.35	488.46	695.93	1	partner's MR changes for FTPB/FTBB
22.02	528.39	695.93	1.04	MR changes for Low Income Rebate
22.44	538.57	695.52	0.34	Taxable Allowance stops for partner
24.11	578.56	721.92	0.54	Medicare Levy starts
25.02	600.5	732.01	0.5	Low Income Rebate stops
25.44	610.67	737.1	0.8	partner's MR changes for FTPA/FTBA
26.06	625.47	740.05	0.615	MR changes for Medicare Levy
41.67	1000.02	884.26	0.735	MR changes for Income Tax
45.47	1091.24	908.44	0.435	Rent Allowance stops for partner
50	1200	969.88	.	constraint ends

2003/04 Avg wage family budget constraint break down (if no indexing)

Hours	Gross	TUNet	Mrate	Probable reason for kink
0	0	548.17	0	constraint starts
0.71	16.99	565.15	0.17	(kink not recognised)
1.29	31	576.78	0.67	MR changes for Taxable Allowance
				MR changes for Beneficiary Tax Rebate
2.96	71.02	589.98	0.87	MR changes for Taxable Allowance
				MR changes for Beneficiary Tax Rebate
5.24	125.66	597.09	0.751	Beneficiary Tax Rebate stops
12.1	290.5	638.13	0.66	Taxable Allowance stops
				partner's MR changes for FTPB/FTBB
				partner's MR changes for Beneficiary Tax Rebate
16.03	384.64	670.14	0.79	(kink not recognised)
20.35	488.46	691.93	1	partner's MR changes for FTPB/FTBB
22.02	528.39	691.93	1.04	MR changes for Low Income Rebate
22.44	538.57	691.52	0.34	Taxable Allowance stops for partner
24.11	578.58	717.93	0.54	Medicare Levy starts
25.02	600.48	728	0.5	Low Income Rebate stops
25.44	610.67	733.1	0.8	partner's MR changes for FTPA/FTBA
26.06	625.47	736.05	0.615	MR changes for Medicare Levy
40.07	961.56	865.45	0.735	(kink not recognised)
45.47	1091.24	899.82	0.435	Rent Allowance stops for partner
48.08	1153.85	935.19	0.485	(kink not recognised)
50	1200	958.96	.	constraint ends

TABLES D. Detailed breakdown of the EMTR graphs in FIGURES D (average wage family) [CONT'D]

2003/04 Avg wage family budget constraint break down (if CPI indexing)

Hours	Gross	TUNet	Mrate	Probable reason for kink
0	0	548.17	0	constraint starts
0.71	16.97	565.13	0.17	(kink not recognised)
1.29	31.02	576.79	0.67	MR changes for Taxable Allowance
				MR changes for Beneficiary Tax Rebate
2.96	71	589.98	0.87	MR changes for Taxable Allowance
				MR changes for Beneficiary Tax Rebate
4.62	110.93	595.18	0.751	(kink not recognised)
12.1	290.5	639.89	0.66	Taxable Allowance stops
				partner's MR changes for FTPB/FTBB
				partner's MR changes for Beneficiary Tax Rebate
17.46	419.07	683.6	0.79	(kink not recognised)
20.35	488.46	698.16	1	partner's MR changes for FTPB/FTBB
22.02	528.37	698.16	1.04	MR changes for Low Income Rebate
22.44	538.57	697.76	0.34	Taxable Allowance stops for partner
24.11	578.56	724.15	0.54	Medicare Levy starts
25.02	600.48	734.23	0.5	Low Income Rebate stops
25.45	610.7	739.33	0.8	partner's MR changes for FTPA/FTBA
26.06	625.49	742.3	0.615	MR changes for Medicare Levy
43.65	1047.6	904.81	0.735	(kink not recognised)
45.47	1091.22	916.37	0.435	Rent Allowance stops for partner
50	1200	977.83	.	constraint ends

2003/04 Avg wage family budget constraint break down (if AWE indexing)

Hours	Gross	TUNet	Mrate	Probable reason for kink
0	0	548.17	0	constraint starts
0.71	16.99	565.15	0.17	(kink not recognised)
1.29	31.02	576.79	0.67	MR changes for Taxable Allowance
				MR changes for Beneficiary Tax Rebate
2.96	71.02	589.98	0.87	MR changes for Taxable Allowance
				MR changes for Beneficiary Tax Rebate
4.25	101.94	594.01	0.751	(kink not recognised)
12.1	290.5	640.96	0.66	Taxable Allowance stops
				partner's MR changes for FTPB/FTBB
				partner's MR changes for Beneficiary Tax Rebate
18.34	440.06	691.81	0.79	(kink not recognised)
20.35	488.43	701.96	1	partner's MR changes for FTPB/FTBB
22.02	528.37	701.96	1.04	MR changes for Low Income Rebate
22.44	538.6	701.57	0.34	Taxable Allowance stops for partner
24.11	578.58	727.96	0.54	Medicare Levy starts
25.02	600.5	738.04	0.5	Low Income Rebate stops
25.44	610.67	743.13	0.8	partner's MR changes for FTPA/FTBA
26.06	625.49	746.1	0.615	MR changes for Medicare Levy
45.47	1091.22	925.4	0.315	Rent Allowance stops for partner
45.84	1100.12	931.5	0.435	(kink not recognised)
50	1200	987.93	.	constraint ends

TABLES E. Detailed breakdown of the EMTR graphs in FIGURES E (high wage family)

2003/04 High wage family budget constraint break down

Hours	Gross	TUNet	Mrate	Probable reason for kink
0	0	548.17	0	constraint starts
0.35	17.02	565.17	0.17	(kink not recognised)
0.65	31.05	576.8	0.67	MR changes for Taxable Allowance
				MR changes for Beneficiary Tax Rebate
1.48	71.05	589.99	0.87	MR changes for Taxable Allowance
				MR changes for Beneficiary Tax Rebate
2.62	125.66	597.09	0.751	Beneficiary Tax Rebate stops
6.05	290.5	638.13	0.66	Taxable Allowance stops
				partner's MR changes for FTPB/FTBB
				partner's MR changes for Beneficiary Tax Rebate
8.65	415.38	680.59	0.79	MR changes for Income Tax
10.18	488.48	695.93	1	partner's MR changes for FTPB/FTBB
11.01	528.37	695.93	1.04	MR changes for Low Income Rebate
11.22	538.62	695.56	0.34	Taxable Allowance stops for partner
12.05	578.56	721.91	0.54	Medicare Levy starts
12.51	600.53	732.02	0.5	Low Income Rebate stops
12.72	610.72	737.11	0.8	partner's MR changes for FTPA/FTBA
13.03	625.47	740.05	0.615	MR changes for Medicare Levy
20.83	1000	884.25	0.735	MR changes for Income Tax
22.73	1091.22	908.42	0.435	Rent Allowance stops for partner
25.04	1201.92	970.97	0.485	MR changes for Income Tax
34.19	1641.14	1197.16	0.785	partner's MR changes for FTPA/FTBA
37.11	1781.48	1227.33	0.485	FTPA/FTBA stops for partner
40.67	1951.92	1315.11	.	----- discontinuity ------
40.67	1951.98	1295.61	0.495	MR changes for Medicare Levy
50	2400	1521.87	.	constraint ends

2003/04 High wage family budget constraint break down (if no indexing)

Hours	Gross	TUNet	Mrate	Probable reason for kink
0	0	548.17	0	constraint starts
0.35	16.97	565.13	0.17	(kink not recognised)
0.65	31	576.78	0.67	MR changes for Taxable Allowance
				MR changes for Beneficiary Tax Rebate
1.48	71.05	589.99	0.87	MR changes for Taxable Allowance
				MR changes for Beneficiary Tax Rebate
2.62	125.71	597.1	0.751	Beneficiary Tax Rebate stops
6.05	290.55	638.15	0.66	Taxable Allowance stops
				partner's MR changes for FTPB/FTBB
				partner's MR changes for Beneficiary Tax Rebate
8.01	384.66	670.14	0.79	(kink not recognised)
10.18	488.43	691.93	1	partner's MR changes for FTPB/FTBB
11.01	528.37	691.93	1.04	MR changes for Low Income Rebate
11.22	538.57	691.52	0.34	Taxable Allowance stops for partner
12.05	578.56	717.91	0.54	Medicare Levy starts
12.51	600.48	728	0.5	Low Income Rebate stops
12.72	610.67	733.1	0.8	partner's MR changes for FTPA/FTBA
13.03	625.52	736.07	0.615	MR changes for Medicare Levy
20.03	961.54	865.44	0.735	(kink not recognised)
22.73	1091.26	899.83	0.435	Rent Allowance stops for partner
24.04	1153.89	935.22	0.485	(kink not recognised)
34.19	1641.14	1186.14	0.785	partner's MR changes for FTPA/FTBA
37.12	1781.53	1216.33	0.485	FTPA/FTBA stops for partner
40.67	1951.92	1304.09	.	----- discontinuity ------
40.67	1951.93	1284.57	0.495	MR changes for Medicare Levy
40.67	1951.98	1284.59	0.495	MR changes for Medicare Levy
50	2400	1510.85	.	constraint ends

TABLES E. Detailed breakdown of the EMTR graphs in FIGURES E (high wage family) [CONT'D]

2003/04 High wage family budget constraint break down (if CPI indexing)

Hours	Gross	TUNet	Mrate	Probable reason for kink
0	0	548.17	0	constraint starts
0.35	16.97	565.13	0.17	(kink not recognised)
0.65	31.05	576.8	0.67	MR changes for Taxable Allowance
				MR changes for Beneficiary Tax Rebate
1.48	71	589.98	0.87	MR changes for Taxable Allowance
				MR changes for Beneficiary Tax Rebate
2.31	110.91	595.17	0.751	(kink not recognised)
6.05	290.5	639.89	0.66	Taxable Allowance stops
				partner's MR changes for FTPB/FTBB
				partner's MR changes for Beneficiary Tax Rebate
8.73	419.09	683.6	0.79	(kink not recognised)
10.18	488.48	698.16	1	partner's MR changes for FTPB/FTBB
11.01	528.41	698.16	1.04	MR changes for Low Income Rebate
11.22	538.57	697.76	0.34	Taxable Allowance stops for partner
12.05	578.56	724.15	0.54	Medicare Levy starts
12.51	600.48	734.23	0.5	Low Income Rebate stops
12.72	610.72	739.34	0.8	partner's MR changes for FTPA/FTBA
13.03	625.52	742.3	0.615	MR changes for Medicare Levy
21.83	1047.65	904.82	0.735	(kink not recognised)
22.73	1091.22	916.37	0.435	Rent Allowance stops for partner
26.19	1257.12	1010.1	0.485	(kink not recognised)
34.19	1641.1	1207.85	0.785	partner's MR changes for FTPA/FTBA
37.12	1781.53	1238.06	0.485	FTPA/FTBA stops for partner
40.67	1951.92	1325.81	.	----- discontinuity ------
40.67	1951.98	1306.32	0.495	MR changes for Medicare Levy
50	2400	1532.57	.	constraint ends

2003/04 High wage family budget constraint break down (if AWE indexing)

Hours	Gross	TUNet	Mrate	Probable reason for kink
0	0	548.17	0	constraint starts
0.35	17.02	565.17	0.17	(kink not recognised)
0.65	31.05	576.8	0.67	MR changes for Taxable Allowance
				MR changes for Beneficiary Tax Rebate
1.48	71	589.98	0.87	MR changes for Taxable Allowance
				MR changes for Beneficiary Tax Rebate
2.12	101.96	594.01	0.751	(kink not recognised)
6.05	290.5	640.96	0.66	Taxable Allowance stops
				partner's MR changes for FTPB/FTBB
				partner's MR changes for Beneficiary Tax Rebate
9.17	440.09	691.81	0.79	(kink not recognised)
10.18	488.48	701.96	1	partner's MR changes for FTPB/FTBB
11.01	528.37	701.96	1.04	MR changes for Low Income Rebate
11.22	538.57	701.56	0.34	Taxable Allowance stops for partner
12.05	578.61	727.97	0.54	Medicare Levy starts
12.51	600.48	738.03	0.5	Low Income Rebate stops
12.72	610.72	743.14	0.8	partner's MR changes for FTPA/FTBA
13.03	625.47	746.09	0.615	MR changes for Medicare Levy
22.73	1091.22	925.4	0.315	Rent Allowance stops for partner
22.92	1100.1	931.48	0.435	(kink not recognised)
27.5	1320.17	1055.82	0.485	(kink not recognised)
34.19	1641.14	1221.11	0.785	partner's MR changes for FTPA/FTBA
37.12	1781.53	1251.31	0.485	FTPA/FTBA stops for partner
40.66	1951.91	1339.05	.	----- discontinuity ------
40.67	1951.93	1319.54	0.495	MR changes for Medicare Levy
40.67	1951.98	1319.57	0.495	MR changes for Medicare Levy
50	2400	1545.82	.	constraint ends

TABLES F. Detailed breakdown of the EMTR graphs in FIGURES F (single parent)

2005/06 Single parent budget constraint break down

Hours	Gross	TUNet	Mrate	Probable reason for kink
0	0	448.63	0	constraint starts
6.02	76.3	524.93	0.4	MR changes for Taxable Allowance
9.41	119.24	550.69	0.577	MR changes for Sole Parent Pension Rebate (kink not recognised)
18.61	235.77	599.98	0.655	MR changes for Income Tax
33.47	424.07	664.94	0.679	MR changes for Low Income Rebate
34.17	432.91	667.78	0.799	Medicare Levy starts
39.86	505.03	682.28	0.688	MR changes for Medicare Levy
42.95	544.25	694.51	0.687	Low Income Rebate stops
42.95	544.26	694.52	0.664	Low Income Rebate stops
47.53	602.28	714.01	0.589	Sole Parent Pension Rebate stops
50	633.55	726.86	.	constraint ends

2005/06 Single parent budget constraint break down (if no indexing)

Hours	Gross	TUNet	Mrate	Probable reason for kink
0	0	448.63	0	constraint starts
6.02	76.3	524.93	0.4	MR changes for Taxable Allowance
9.41	119.24	550.69	0.577	MR changes for Sole Parent Pension Rebate (kink not recognised)
14.56	184.5	578.29	0.655	(kink not recognised)
33.47	424.08	660.95	0.679	MR changes for Low Income Rebate
34.17	432.93	663.78	0.799	Medicare Levy starts
39.86	505.04	678.28	0.688	MR changes for Medicare Levy
42.95	544.25	690.51	0.687	Low Income Rebate stops
42.95	544.26	690.52	0.664	Low Income Rebate stops
47.53	602.3	710.02	0.589	Sole Parent Pension Rebate stops
50	633.55	722.86	.	constraint ends

2005/06 Single parent budget constraint break down (if CPI indexing)

Hours	Gross	TUNet	Mrate	Probable reason for kink
0	0	448.63	0	constraint starts
6.02	76.31	524.93	0.4	MR changes for Taxable Allowance
9.41	119.24	550.69	0.577	MR changes for Sole Parent Pension Rebate (kink not recognised)
21.46	271.93	615.28	0.655	(kink not recognised)
33.47	424.07	667.76	0.679	MR changes for Low Income Rebate
34.17	432.93	670.6	0.799	Medicare Levy starts
39.86	505.03	685.1	0.688	MR changes for Medicare Levy
42.95	544.26	697.34	0.664	Low Income Rebate stops
44.72	566.62	704.85	0.589	(kink not recognised)
50	633.55	732.36	.	constraint ends

2005/06 Single parent budget constraint break down (if AWE indexing)

Hours	Gross	TUNet	Mrate	Probable reason for kink
0	0	448.63	0	constraint starts
6.02	76.3	524.93	0.4	MR changes for Taxable Allowance
9.41	119.24	550.69	0.577	MR changes for Sole Parent Pension Rebate (kink not recognised)
26.12	330.99	640.26	0.655	(kink not recognised)
33.47	424.07	672.37	0.679	MR changes for Low Income Rebate
34.17	432.91	675.21	0.799	Medicare Levy starts
39.86	505.03	689.71	0.688	MR changes for Medicare Levy
42.82	542.51	701.4	0.613	(kink not recognised)
42.95	544.26	702.08	0.589	Low Income Rebate stops
50	633.55	738.77	.	constraint ends

TABLES H. Detailed breakdown of the EMTR graphs in FIGURES H (low wage family)

2005/06 Low wage family budget constraint break down

Hours	Gross	TUNet	Mrate	Probable reason for kink
0	0	574.51	0	constraint starts
1.34	16.98	591.49	0.17	(kink not recognised)
2.45	31	603.13	0.67	MR changes for Taxable Allowance
				MR changes for Beneficiary Tax Rebate
5.6	71	616.33	0.87	MR changes for Taxable Allowance
				MR changes for Beneficiary Tax Rebate
10.86	137.6	624.98	0.751	Beneficiary Tax Rebate stops
23.87	302.44	666.03	0.66	Taxable Allowance stops
				partner's MR changes for FTPB/FTBB
				partner's MR changes for Beneficiary Tax Rebate
32.78	415.38	704.43	0.79	MR changes for Income Tax
40.24	509.87	724.27	1	partner's MR changes for FTPB/FTBB
41.7	528.37	724.27	1.04	MR changes for Low Income Rebate
44.39	562.43	722.92	0.34	Taxable Allowance stops for partner
45.66	578.57	733.57	0.54	Medicare Levy starts
47.39	600.48	743.65	0.5	Low Income Rebate stops
49.36	625.48	756.15	0.315	MR changes for Medicare Levy
50	633.55	761.68	.	constraint ends

2005/06 Low wage family budget constraint break down (if no indexing)

Hours	Gross	TUNet	Mrate	Probable reason for kink
0	0	574.51	0	constraint starts
1.34	16.98	591.49	0.17	(kink not recognised)
2.45	31	603.13	0.67	MR changes for Taxable Allowance
				MR changes for Beneficiary Tax Rebate
5.6	71	616.33	0.87	MR changes for Taxable Allowance
				MR changes for Beneficiary Tax Rebate
10.86	137.6	624.98	0.751	Beneficiary Tax Rebate stops
23.87	302.44	666.03	0.66	Taxable Allowance stops
				partner's MR changes for FTPB/FTBB
				partner's MR changes for Beneficiary Tax Rebate
30.35	384.62	693.97	0.79	(kink not recognised)
40.24	509.87	720.27	1	partner's MR changes for FTPB/FTBB
41.7	528.37	720.27	1.04	MR changes for Low Income Rebate
44.39	562.43	718.92	0.34	Taxable Allowance stops for partner
45.66	578.57	729.57	0.54	Medicare Levy starts
47.39	600.48	739.65	0.5	Low Income Rebate stops
49.36	625.48	752.15	0.315	MR changes for Medicare Levy
50	633.55	757.68	.	constraint ends

TABLES H. Detailed breakdown of the EMTR graphs in FIGURES H (low wage family) [CONT'D]

2005/06 Low wage family budget constraint break down (if CPI indexing)

Hours	Gross	TUNet	Mrate	Probable reason for kink
0	0	574.51	0	constraint starts
1.34	16.97	591.48	0.17	(kink not recognised)
2.45	31	603.13	0.67	MR changes for Taxable Allowance
				MR changes for Beneficiary Tax Rebate
5.6	71.01	616.33	0.87	MR changes for Taxable Allowance
				MR changes for Beneficiary Tax Rebate
9.09	115.12	622.06	0.751	(kink not recognised)
23.87	302.44	668.71	0.66	Taxable Allowance stops
				partner's MR changes for FTPB/FTBB
				partner's MR changes for Beneficiary Tax Rebate
34.5	437.09	714.49	0.79	(kink not recognised)
40.24	509.87	729.77	1	partner's MR changes for FTPB/FTBB
41.7	528.37	729.77	1.04	MR changes for Low Income Rebate
44.39	562.41	728.41	0.34	Taxable Allowance stops for partner
45.66	578.57	739.07	0.54	Medicare Levy starts
47.39	600.49	749.15	0.5	Low Income Rebate stops
49.36	625.48	761.65	0.315	MR changes for Medicare Levy
50	633.55	767.18	.	constraint ends

2005/06 Low wage family budget constraint break down (if AWE indexing)

Hours	Gross	TUNet	Mrate	Probable reason for kink
0	0	574.51	0	constraint starts
1.34	16.98	591.49	0.17	(kink not recognised)
2.45	31.01	603.13	0.67	MR changes for Taxable Allowance
				MR changes for Beneficiary Tax Rebate
5.6	71	616.33	0.87	MR changes for Taxable Allowance
				MR changes for Beneficiary Tax Rebate
7.89	99.91	620.08	0.751	(kink not recognised)
23.87	302.44	670.51	0.66	Taxable Allowance stops
				partner's MR changes for FTPB/FTBB
				partner's MR changes for Beneficiary Tax Rebate
37.29	472.53	728.34	0.79	(kink not recognised)
40.24	509.87	736.18	1	partner's MR changes for FTPB/FTBB
41.7	528.37	736.18	1.04	MR changes for Low Income Rebate
44.39	562.43	734.83	0.34	Taxable Allowance stops for partner
45.66	578.57	745.48	0.54	Medicare Levy starts
47.39	600.49	755.57	0.5	Low Income Rebate stops
49.36	625.47	768.06	0.315	MR changes for Medicare Levy
50	633.55	773.59	.	constraint ends

TABLES I. Detailed breakdown of the EMTR graphs in FIGURES I (average wage family)

2005/06 Avg wage family budget constraint break down

Hours	Gross	TUNet	Mrate	Probable reason for kink
0	0	574.51	0	constraint starts
0.66	16.99	591.5	0.17	(kink not recognised)
1.2	31	603.13	0.67	MR changes for Taxable Allowance
				MR changes for Beneficiary Tax Rebate
2.75	71	616.33	0.87	MR changes for Taxable Allowance
				MR changes for Beneficiary Tax Rebate
5.34	137.59	624.98	0.751	Beneficiary Tax Rebate stops
11.74	302.43	666.03	0.66	Taxable Allowance stops
				partner's MR changes for FTPB/FTBB
				partner's MR changes for Beneficiary Tax Rebate
16.12	415.41	704.44	0.79	MR changes for Income Tax
19.78	509.87	724.27	1	partner's MR changes for FTPB/FTBB
20.5	528.37	724.27	1.04	MR changes for Low Income Rebate
21.82	562.44	722.93	0.34	Taxable Allowance stops for partner
22.45	578.58	733.58	0.54	Medicare Levy starts
23.3	600.51	743.66	0.5	Low Income Rebate stops
24.27	625.49	756.16	0.315	MR changes for Medicare Levy
24.84	640.05	766.13	0.615	partner's MR changes for FTPA/FTBA
38.8	1000	904.71	0.735	MR changes for Income Tax
44.38	1143.69	942.79	0.435	Rent Allowance stops for partner
46.64	1201.95	975.71	0.485	MR changes for Income Tax
50	1288.58	1020.32	.	constraint ends

2005/06 Avg wage family budget constraint break down (if no indexing)

Hours	Gross	TUNet	Mrate	Probable reason for kink
0	0	574.51	0	constraint starts
0.66	16.99	591.5	0.17	(kink not recognised)
1.2	31.03	603.13	0.67	MR changes for Taxable Allowance
				MR changes for Beneficiary Tax Rebate
2.75	71	616.33	0.87	MR changes for Taxable Allowance
				MR changes for Beneficiary Tax Rebate
5.34	137.61	624.99	0.751	Beneficiary Tax Rebate stops
11.74	302.45	666.04	0.66	Taxable Allowance stops
				partner's MR changes for FTPB/FTBB
				partner's MR changes for Beneficiary Tax Rebate
14.93	384.64	693.98	0.79	(kink not recognised)
19.79	509.89	720.27	1	partner's MR changes for FTPB/FTBB
20.5	528.39	720.27	1.04	MR changes for Low Income Rebate
21.82	562.44	718.93	0.34	Taxable Allowance stops for partner
22.45	578.58	729.58	0.54	Medicare Levy starts
23.3	600.48	739.65	0.5	Low Income Rebate stops
24.27	625.47	752.15	0.315	MR changes for Medicare Levy
24.83	640.02	762.12	0.615	partner's MR changes for FTPA/FTBA
37.31	961.54	885.9	0.735	(kink not recognised)
44.38	1143.69	934.18	0.435	Rent Allowance stops for partner
44.77	1153.85	939.92	0.485	(kink not recognised)
50	1288.58	1009.3	.	constraint ends

TABLES I. Detailed breakdown of the EMTR graphs in FIGURES I (average wage family) [CONT'D]

2005/06 Avg wage family budget constraint break down (if CPI indexing)

Hours	Gross	TUNet	Mrate	Probable reason for kink
0	0	574.51	0	constraint starts
0.66	16.99	591.5	0.17	(kink not recognised)
1.2	31.03	603.13	0.67	MR changes for Taxable Allowance
				MR changes for Beneficiary Tax Rebate
2.75	71	616.33	0.87	MR changes for Taxable Allowance
				MR changes for Beneficiary Tax Rebate
4.47	115.1	622.06	0.751	(kink not recognised)
11.74	302.45	668.71	0.66	Taxable Allowance stops
				partner's MR changes for FTPB/FTBB
				partner's MR changes for Beneficiary Tax Rebate
16.96	437.08	714.48	0.79	(kink not recognised)
19.79	509.89	729.77	1	partner's MR changes for FTPB/FTBB
20.5	528.37	729.77	1.04	MR changes for Low Income Rebate
21.82	562.41	728.41	0.34	Taxable Allowance stops for partner
22.45	578.56	739.06	0.54	Medicare Levy starts
23.3	600.51	749.16	0.5	Low Income Rebate stops
24.27	625.47	761.64	0.315	MR changes for Medicare Levy
24.84	640.05	771.62	0.615	partner's MR changes for FTPA/FTBA
42.4	1092.71	945.89	0.735	(kink not recognised)
44.38	1143.69	959.41	0.435	Rent Allowance stops for partner
50	1288.58	1041.27	.	constraint ends

2005/06 Avg wage family budget constraint break down (if AWE indexing)

Hours	Gross	TUNet	Mrate	Probable reason for kink
0	0	574.51	0	constraint starts
0.66	16.97	591.48	0.17	(kink not recognised)
1.2	31	603.13	0.67	MR changes for Taxable Allowance
				MR changes for Beneficiary Tax Rebate
2.75	71	616.33	0.87	MR changes for Taxable Allowance
				MR changes for Beneficiary Tax Rebate
3.88	99.94	620.09	0.751	(kink not recognised)
11.74	302.45	670.52	0.66	Taxable Allowance stops
				partner's MR changes for FTPB/FTBB
				partner's MR changes for Beneficiary Tax Rebate
18.33	472.52	728.34	0.79	(kink not recognised)
19.79	509.89	736.18	1	partner's MR changes for FTPB/FTBB
20.5	528.39	736.18	1.04	MR changes for Low Income Rebate
21.82	562.41	734.82	0.34	Taxable Allowance stops for partner
22.45	578.56	745.48	0.54	Medicare Levy starts
23.3	600.51	755.57	0.5	Low Income Rebate stops
24.27	625.47	768.06	0.315	MR changes for Medicare Levy
24.83	640.02	778.03	0.615	partner's MR changes for FTPA/FTBA
44.38	1143.69	971.95	0.315	Rent Allowance stops for partner
45.84	1181.29	997.7	0.435	(kink not recognised)
50	1288.58	1058.32	.	constraint ends

TABLES J. Detailed breakdown of the EMTR graphs in FIGURES J (high wage family)

2005/06 High wage family budget constraint break down

Hours	Gross	TUNet	Mrate	Probable reason for kink
0	0	574.51	0	constraint starts
0.33	17.02	591.52	0.17	(kink not recognised)
0.6	31	603.13	0.67	MR changes for Taxable Allowance
				MR changes for Beneficiary Tax Rebate
1.38	71	616.33	0.87	MR changes for Taxable Allowance
				MR changes for Beneficiary Tax Rebate
2.67	137.59	624.98	0.751	Beneficiary Tax Rebate stops
5.87	302.48	666.05	0.66	Taxable Allowance stops
				partner's MR changes for FTPB/FTBB
				partner's MR changes for Beneficiary Tax Rebate
8.06	415.44	704.44	0.79	MR changes for Income Tax
9.89	509.92	724.27	1	partner's MR changes for FTPB/FTBB
10.25	528.42	724.27	1.04	MR changes for Low Income Rebate
10.91	562.41	722.91	0.34	Taxable Allowance stops for partner
11.23	578.61	733.59	0.54	Medicare Levy starts
11.65	600.48	743.65	0.5	Low Income Rebate stops
12.13	625.47	756.15	0.315	MR changes for Medicare Levy
12.42	640.08	766.14	0.615	partner's MR changes for FTPA/FTBA
19.4	1000	904.71	0.735	MR changes for Income Tax
22.19	1143.72	942.81	0.435	Rent Allowance stops for partner
23.32	1201.97	975.72	0.485	MR changes for Income Tax
33.37	1719.97	1242.49	0.785	partner's MR changes for FTPA/FTBA
36.23	1867.15	1274.15	0.485	FTPA/FTBA stops for partner
37.87	1951.91	1317.8	0.485	MR changes for Medicare Levy
37.87	1951.92	1317.8	0.485	MR changes for Medicare Levy
37.87	1951.92	1317.8	.	----- discontinuity ------
37.87	1951.98	1298.31	0.495	MR changes for Medicare Levy
50	2577.15	1614.02	.	constraint ends

2005/06 High wage family budget constraint break down (if no indexing)

Hours	Gross	TUNet	Mrate	Probable reason for kink
0	0	574.51	0	constraint starts
0.33	16.97	591.48	0.17	(kink not recognised)
0.6	31.05	603.14	0.67	MR changes for Taxable Allowance
				MR changes for Beneficiary Tax Rebate
1.38	71.05	616.33	0.87	MR changes for Taxable Allowance
				MR changes for Beneficiary Tax Rebate
2.67	137.64	624.99	0.751	Beneficiary Tax Rebate stops
5.87	302.43	666.03	0.66	Taxable Allowance stops
				partner's MR changes for FTPB/FTBB
				partner's MR changes for Beneficiary Tax Rebate
7.46	384.67	693.98	0.79	(kink not recognised)
9.89	509.87	720.27	1	partner's MR changes for FTPB/FTBB
10.25	528.37	720.27	1.04	MR changes for Low Income Rebate
10.91	562.46	718.95	0.34	Taxable Allowance stops for partner
11.23	578.61	729.59	0.54	Medicare Levy starts
11.65	600.53	739.68	0.5	Low Income Rebate stops
12.14	625.52	752.18	0.315	MR changes for Medicare Levy
12.42	640.02	762.12	0.615	partner's MR changes for FTPA/FTBA
18.66	961.54	885.9	0.735	(kink not recognised)
22.19	1143.66	934.16	0.435	Rent Allowance stops for partner
22.39	1153.9	939.94	0.485	(kink not recognised)
33.37	1720.02	1231.48	0.785	partner's MR changes for FTPA/FTBA
36.22	1867.1	1263.1	0.485	FTPA/FTBA stops for partner
37.87	1951.92	1306.78	0.485	MR changes for Medicare Levy
37.87	1951.92	1306.79	.	----- discontinuity ------
37.87	1951.92	1287.27	0.495	MR changes for Medicare Levy
37.87	1951.98	1287.29	0.495	MR changes for Medicare Levy
50	2577.15	1603.01	.	constraint ends

TABLES J. Detailed breakdown of the EMTR graphs in FIGURES J (high wage family) [CONT'D]

2005/06 High wage family budget constraint break down (if CPI indexing)

Hours	Gross	TUNet	Mrate	Probable reason for kink
0	0	574.51	0	constraint starts
0.33	16.97	591.48	0.17	(kink not recognised)
0.6	31.05	603.14	0.67	MR changes for Taxable Allowance
				MR changes for Beneficiary Tax Rebate
1.38	71.05	616.33	0.87	MR changes for Taxable Allowance
				MR changes for Beneficiary Tax Rebate
2.23	115.15	622.07	0.751	(kink not recognised)
5.87	302.48	668.72	0.66	Taxable Allowance stops
				partner's MR changes for FTPB/FTBB
				partner's MR changes for Beneficiary Tax Rebate
8.48	437.13	714.49	0.79	(kink not recognised)
9.89	509.87	729.77	1	partner's MR changes for FTPB/FTBB
10.25	528.37	729.77	1.04	MR changes for Low Income Rebate
10.91	562.46	728.44	0.34	Taxable Allowance stops for partner
11.23	578.61	739.09	0.54	Medicare Levy starts
11.65	600.48	749.15	0.5	Low Income Rebate stops
12.13	625.47	761.64	0.315	MR changes for Medicare Levy
12.42	640.08	771.63	0.615	partner's MR changes for FTPA/FTBA
21.2	1092.69	945.89	0.735	(kink not recognised)
22.19	1143.66	959.4	0.435	Rent Allowance stops for partner
25.44	1311.28	1054.1	0.485	(kink not recognised)
33.37	1719.97	1264.57	0.785	partner's MR changes for FTPA/FTBA
36.23	1867.15	1296.23	0.485	FTPA/FTBA stops for partner
37.87	1951.92	1339.88	0.485	MR changes for Medicare Levy
37.87	1951.92	1339.89	.	----- discontinuity ------
37.87	1951.92	1320.37	0.495	MR changes for Medicare Levy
37.87	1951.98	1320.4	0.495	MR changes for Medicare Levy
50	2577.15	1636.11	.	constraint ends

2005/06 High wage family budget constraint break down (if AWE indexing)

Hours	Gross	TUNet	Mrate	Probable reason for kink
0	0	574.51	0	constraint starts
0.33	16.97	591.48	0.17	(kink not recognised)
0.6	31	603.13	0.67	MR changes for Taxable Allowance
				MR changes for Beneficiary Tax Rebate
1.38	71	616.33	0.87	MR changes for Taxable Allowance
				MR changes for Beneficiary Tax Rebate
1.94	99.97	620.1	0.751	(kink not recognised)
5.87	302.48	670.53	0.66	Taxable Allowance stops
				partner's MR changes for FTPB/FTBB
				partner's MR changes for Beneficiary Tax Rebate
9.17	472.57	728.35	0.79	(kink not recognised)
9.89	509.87	736.18	1	partner's MR changes for FTPB/FTBB
10.25	528.42	736.18	1.04	MR changes for Low Income Rebate
10.91	562.46	734.86	0.34	Taxable Allowance stops for partner
11.23	578.61	745.5	0.54	Medicare Levy starts
11.65	600.53	755.59	0.5	Low Income Rebate stops
12.14	625.52	768.09	0.315	MR changes for Medicare Levy
12.42	640.08	778.05	0.615	partner's MR changes for FTPA/FTBA
22.19	1143.66	971.93	0.315	Rent Allowance stops for partner
22.92	1181.34	997.73	0.435	(kink not recognised)
27.5	1417.6	1131.21	0.485	(kink not recognised)
33.37	1719.97	1286.94	0.785	partner's MR changes for FTPA/FTBA
36.23	1867.15	1318.6	0.485	FTPA/FTBA stops for partner
37.87	1951.9	1362.24	0.485	MR changes for Medicare Levy
37.87	1951.92	1362.25	.	----- discontinuity ------
37.87	1951.98	1342.76	0.495	MR changes for Medicare Levy
50	2577.15	1658.47	.	constraint ends

TABLES K. Detailed breakdown of the EMTR graphs in 2000/01 for 4 hypothetical families

2000/01 Single parent budget constraint break down

Hours	Gross	TUNet	Mrate	Probable reason for kink
0	0	373.63	0	constraint starts
6.09	65.3	438.93	0.4	MR changes for Taxable Allowance
				MR changes for Sole Parent Pension Rebate
10.1	108.23	464.69	0.577	(kink not recognised)
25.11	269.08	532.72	0.679	MR changes for Low Income Rebate
36.33	389.28	571.31	0.655	Low Income Rebate stops
41.36	443.21	589.91	0.775	Medicare Levy starts
43.05	461.28	593.98	0.7	Sole Parent Pension Rebate stops
47.53	509.32	608.39	0.589	MR changes for Medicare Levy
50	535.81	619.28	.	constraint ends

2000/01 Low wage family budget constraint break down

Hours	Gross	TUNet	Mrate	Probable reason for kink
0	0	495.3	0	constraint starts
1.65	16.98	512.28	0.17	(kink not recognised)
3.02	31.01	523.92	0.67	MR changes for Taxable Allowance
				MR changes for Beneficiary Tax Rebate
6.91	71	537.11	0.87	MR changes for Taxable Allowance
				MR changes for Beneficiary Tax Rebate
10.09	103.59	541.35	0.751	Beneficiary Tax Rebate stops
26.14	268.44	582.4	0.17	Taxable Allowance stops
				partner's MR changes for FTPB/FTBB
				partner's MR changes for Beneficiary Tax Rebate
26.15	268.5	582.45	0.66	Taxable Allowance stops
				partner's MR changes for FTPB/FTBB
				partner's MR changes for Beneficiary Tax Rebate
37.45	384.63	621.94	0.83	MR changes for Low Income Rebate
43.83	450.11	633.07	1.04	partner's MR changes for FTPB/FTBB
44.48	456.74	632.8	1	Low Income Rebate stops
48.15	494.5	632.8	0.3	Taxable Allowance stops for partner
50	513.45	646.07	.	constraint ends

TABLES K. Detailed breakdown of the EMTR graphs in 2000/01 for 4 hypothetical families [CONT'D]

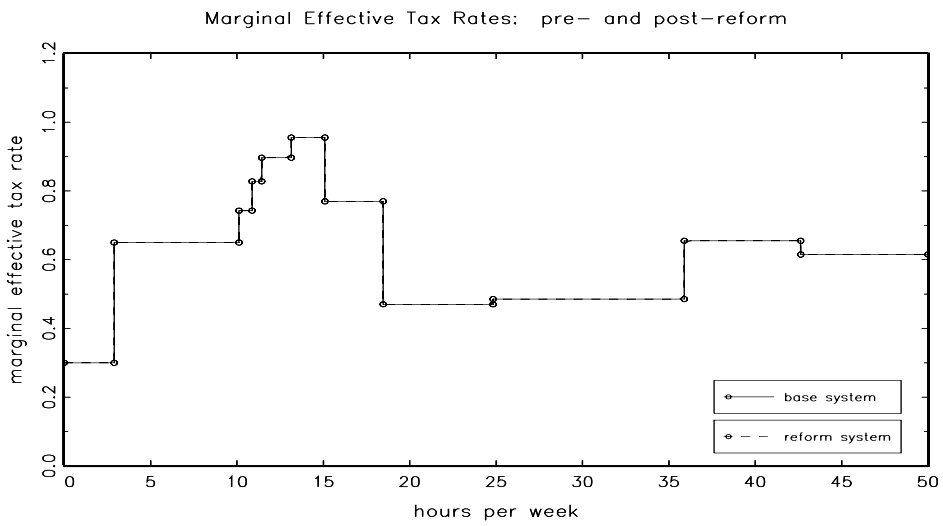
2000/01 Avg wage family budget constraint break down

Hours	Gross	TUNet	Mrate	Probable reason for kink
0	0	495.3	0	constraint starts
0.81	16.99	512.29	0.17	(kink not recognised)
1.49	31.02	523.92	0.67	MR changes for Taxable Allowance
				MR changes for Beneficiary Tax Rebate
3.4	71	537.11	0.87	MR changes for Taxable Allowance
				MR changes for Beneficiary Tax Rebate
4.96	103.61	541.36	0.751	Beneficiary Tax Rebate stops
12.85	268.45	582.41	0.17	Taxable Allowance stops
				partner's MR changes for FTPB/FTBB
				partner's MR changes for Beneficiary Tax Rebate
12.86	268.5	582.45	0.17	Taxable Allowance stops
				partner's MR changes for FTPB/FTBB
				partner's MR changes for Beneficiary Tax Rebate
12.86	268.52	582.46	0.616	Taxable Allowance stops
				partner's MR changes for FTPB/FTBB
				partner's MR changes for Beneficiary Tax Rebate
12.86	268.54	582.47	0.66	Taxable Allowance stops
				partner's MR changes for FTPB/FTBB
				partner's MR changes for Beneficiary Tax Rebate
18.41	384.62	621.93	0.83	MR changes for Low Income Rebate
21.55	450.13	633.07	1.04	partner's MR changes for FTPB/FTBB
21.87	456.75	632.8	1	Low Income Rebate stops
23.68	494.5	632.8	0.3	Taxable Allowance stops for partner
25.35	529.48	657.29	0.5	Medicare Levy starts
25.97	542.33	663.71	0.8	partner's MR changes for FTPA/FTBA
27.41	572.41	669.72	0.615	MR changes for Medicare Levy
46.04	961.56	819.54	0.735	MR changes for Income Tax
46.63	974.02	822.85	0.435	Rent Allowance stops for partner
50	1044.31	862.57	.	constraint ends

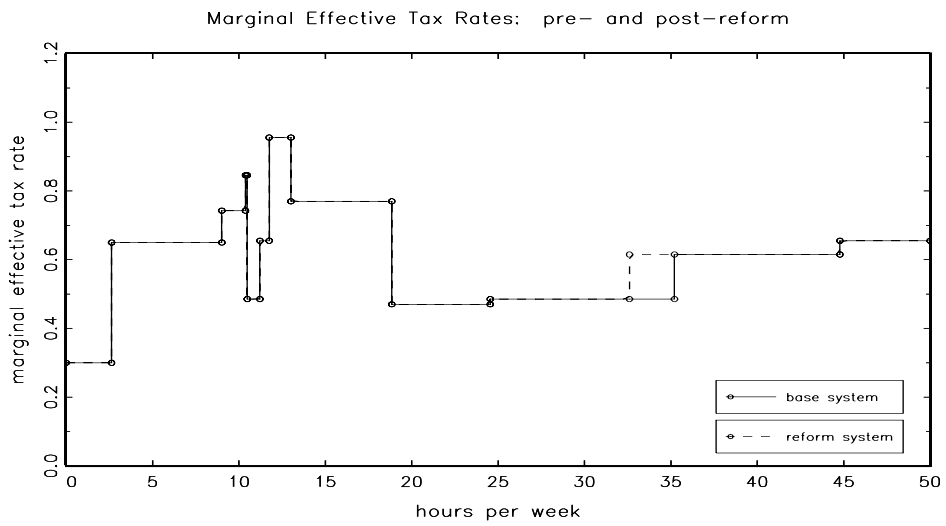
2000/01 High wage family budget constraint break down

Hours	Gross	TUNet	Mrate	Probable reason for kink
0	0	495.3	0	constraint starts
0.41	16.97	512.27	0.17	(kink not recognised)
0.74	31	523.91	0.67	MR changes for Taxable Allowance
				MR changes for Beneficiary Tax Rebate
1.7	71.04	537.12	0.87	MR changes for Taxable Allowance
				MR changes for Beneficiary Tax Rebate
2.48	103.59	541.35	0.751	Beneficiary Tax Rebate stops
6.43	268.43	582.4	0.17	Taxable Allowance stops
				partner's MR changes for FTPB/FTBB
				partner's MR changes for Beneficiary Tax Rebate
6.43	268.5	582.45	0.638	Taxable Allowance stops
				partner's MR changes for FTPB/FTBB
				partner's MR changes for Beneficiary Tax Rebate
6.43	268.54	582.47	0.66	Taxable Allowance stops
				partner's MR changes for FTPB/FTBB
				partner's MR changes for Beneficiary Tax Rebate
9.21	384.66	621.94	0.83	MR changes for Low Income Rebate
10.78	450.1	633.07	1.04	partner's MR changes for FTPB/FTBB
10.93	456.77	632.8	1	Low Income Rebate stops
11.84	494.54	632.83	0.3	Taxable Allowance stops for partner
12.68	529.52	657.31	0.5	Medicare Levy starts
12.98	542.35	663.71	0.8	partner's MR changes for FTPA/FTBA
13.7	572.41	669.72	0.615	MR changes for Medicare Levy
23.02	961.54	819.54	0.735	MR changes for Income Tax
23.32	974	822.84	0.435	Rent Allowance stops for partner
27.62	1153.85	924.45	0.485	MR changes for Income Tax
34.99	1461.54	1082.91	0.785	partner's MR changes for FTPA/FTBA
37.98	1586.48	1109.78	0.485	FTPA/FTBA stops for partner
48.23	2014.82	1330.37	.	----- discontinuity ------
48.23	2014.84	1310.23	0.495	MR changes for Medicare Levy
48.23	2014.88	1310.25	0.495	MR changes for Medicare Levy
50	2088.63	1347.5	.	constraint ends

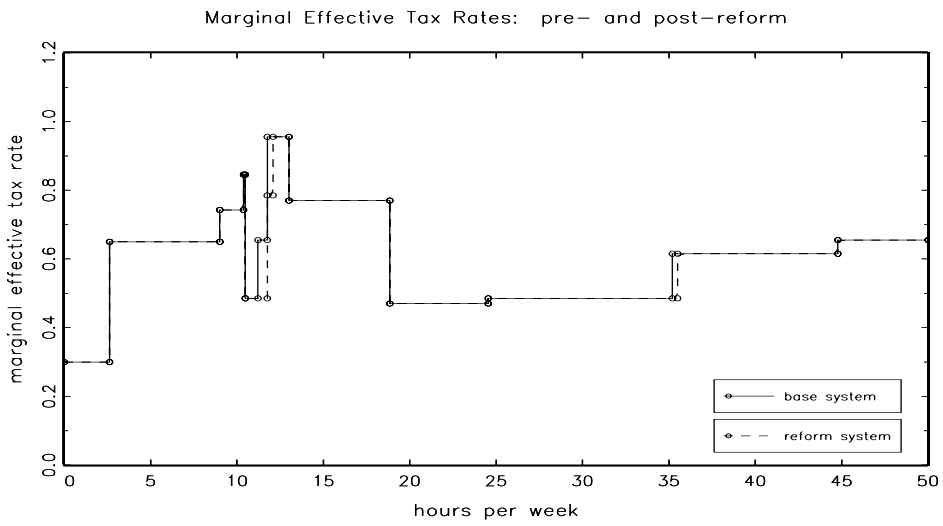
FIGURES C-Spouse: EMTR graphs comparing actual (=base) to alternative (=reform) tax policies (2003/04 Spouse in hypothetical low wage family with full time working partner)



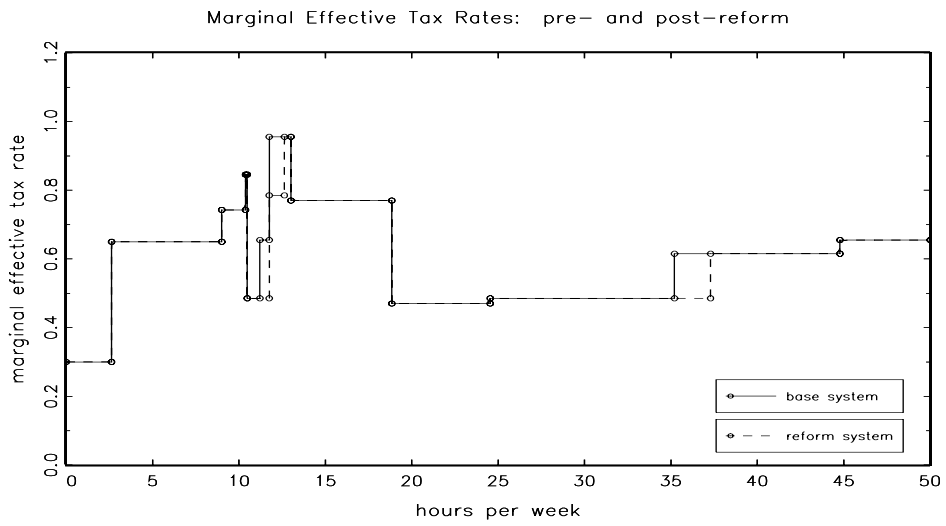
2000/01 ANTS EMTRS for spouse in low wage family.



2003/04 EMTRS for spouse in low wage family (base) versus no indexing (reform)

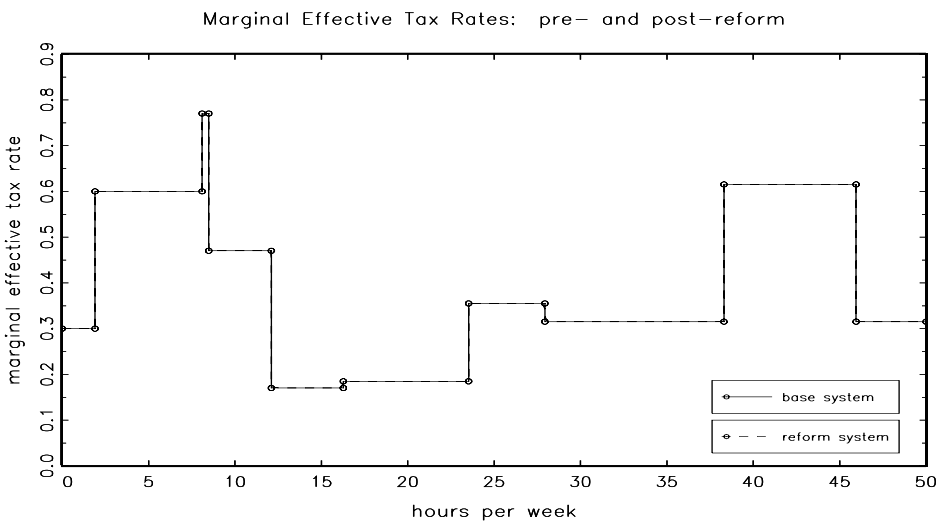


2003/04 EMTRS for spouse in low wage family (base) versus CPI indexing (reform)

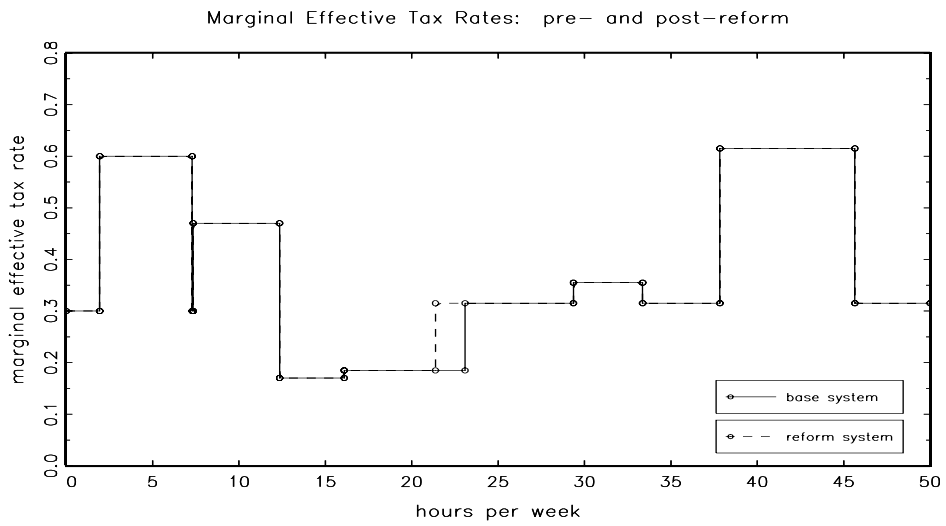


2003/04 EMTRS for spouse in low wage family (base) versus AWE indexing (reform)

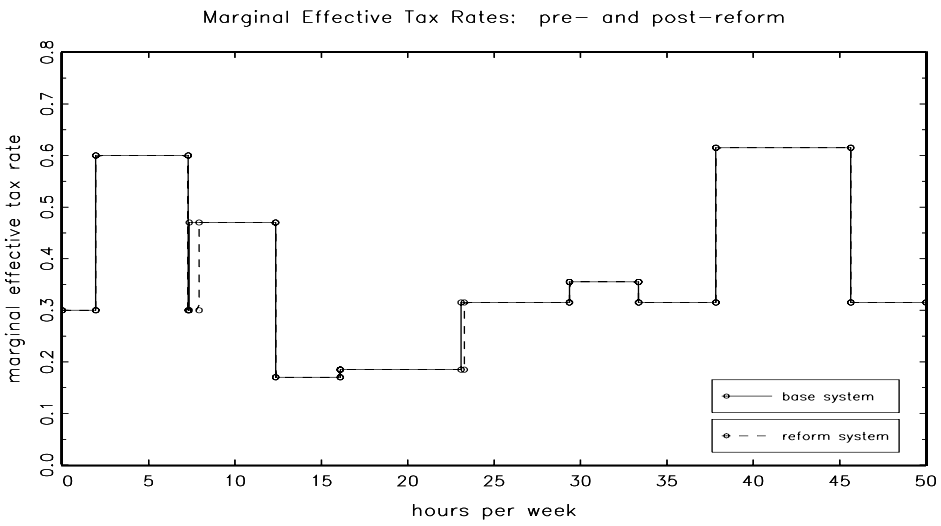
FIGURES D-Spouse: EMTR graphs comparing actual (=base) to alternative (=reform) tax policies (2003/04 Spouse in hypothetical average wage family with full time working partner)



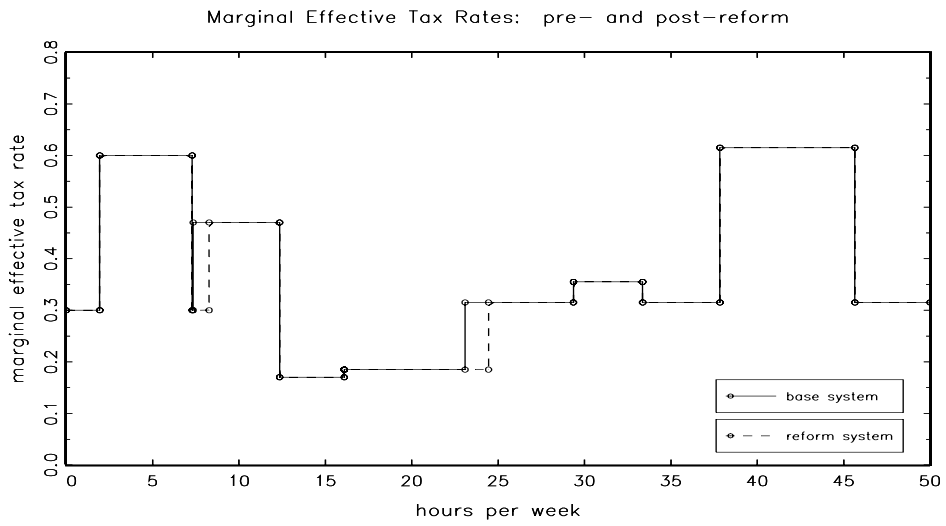
2000/2001 ANTS EMTRS for spouse in avg wage family.



2003/04 EMTRS for spouse in avg wage family (base) versus no indexing (reform)

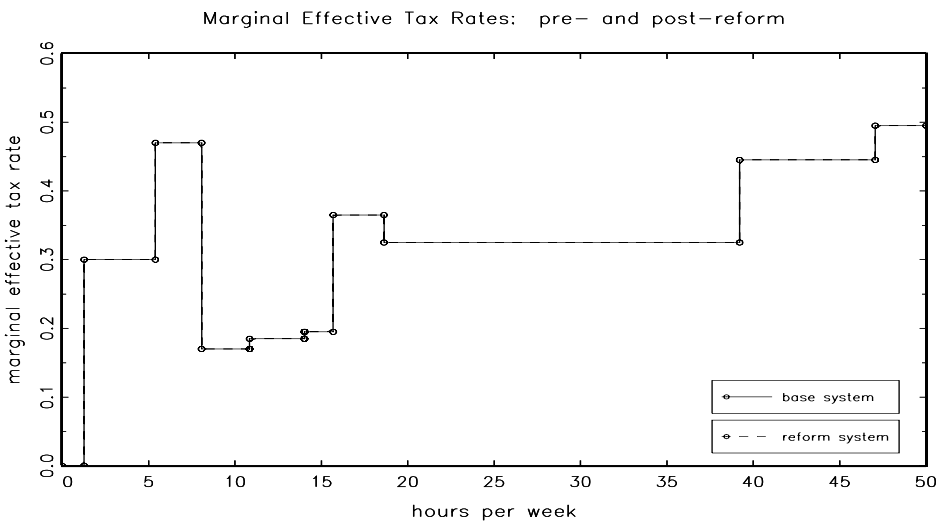


2003/04 EMTRS for spouse in avg wage family (base) versus CPI indexing (reform)

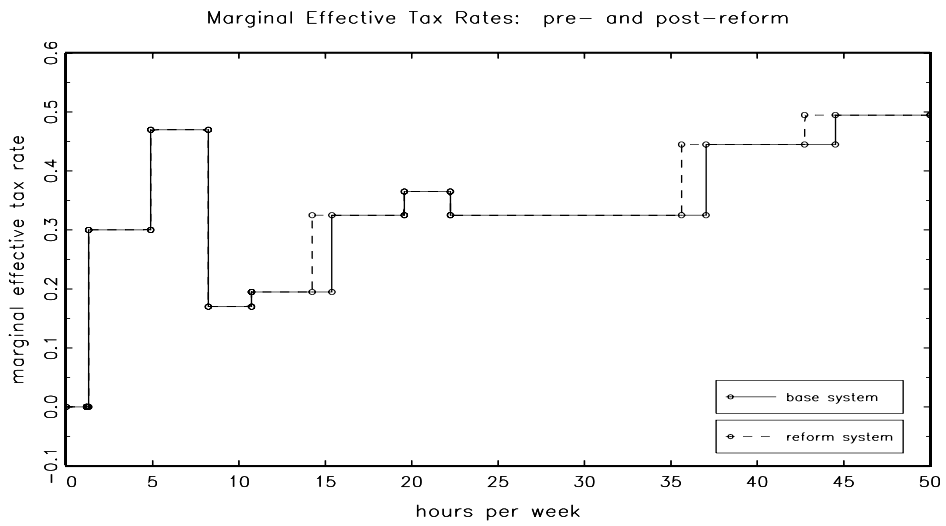


2003/04 EMTRS for spouse in avg wage family (base) versus AWE indexing (reform)

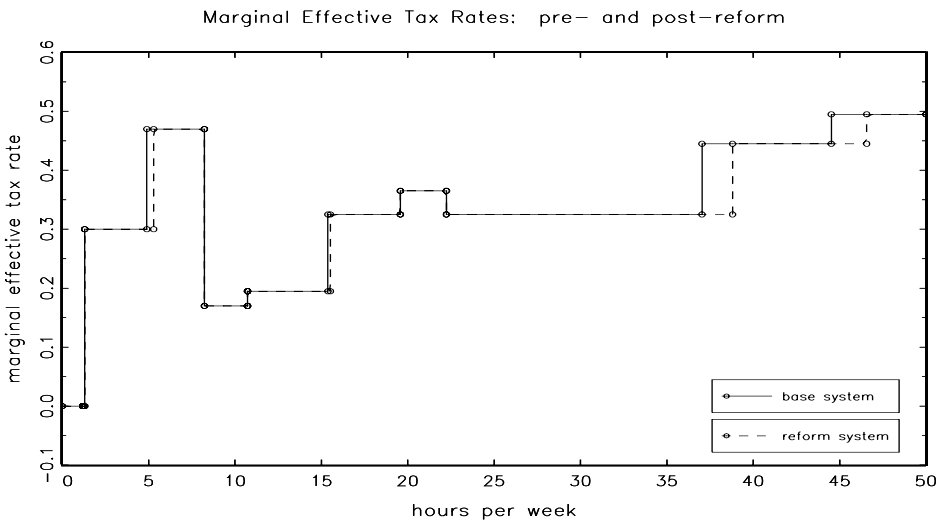
FIGURES E-Spouse: EMTR graphs comparing actual (=base) to alternative (=reform) tax policies (2003/04 Spouse in hypothetical high wage family with full time working partner)



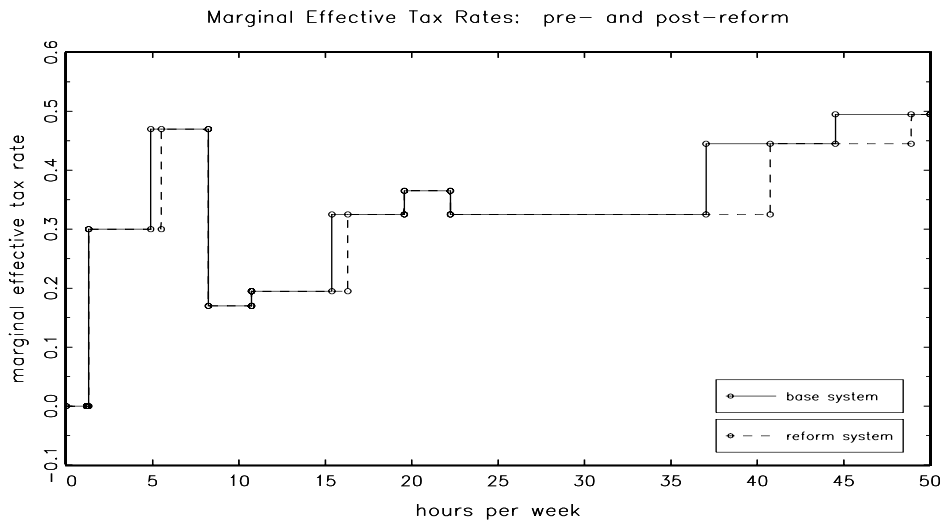
2000/2001 ANTS EMTRS for spouse in high wage family.



2003/04 EMTRS for spouse in high wage family (base) versus no indexing (reform)

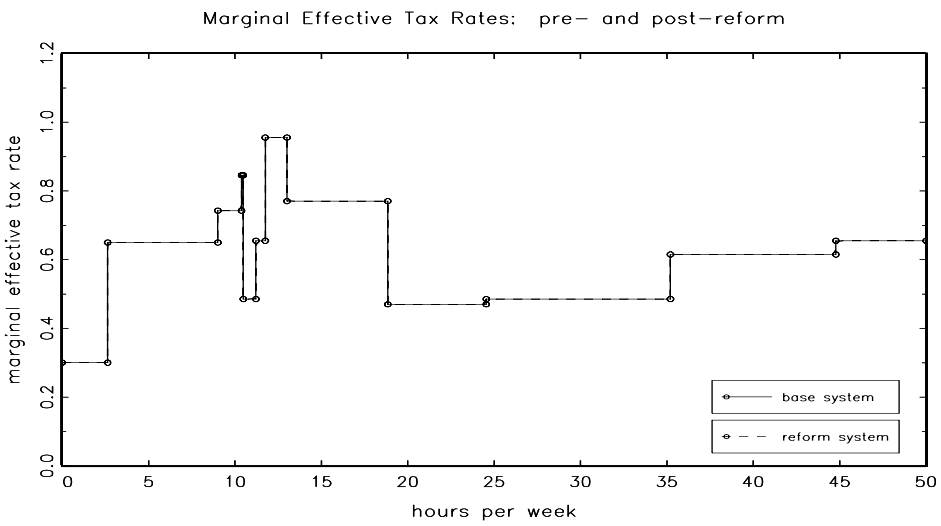


2003/04 EMTRS for spouse in high wage family (base) versus CPI indexing (reform)

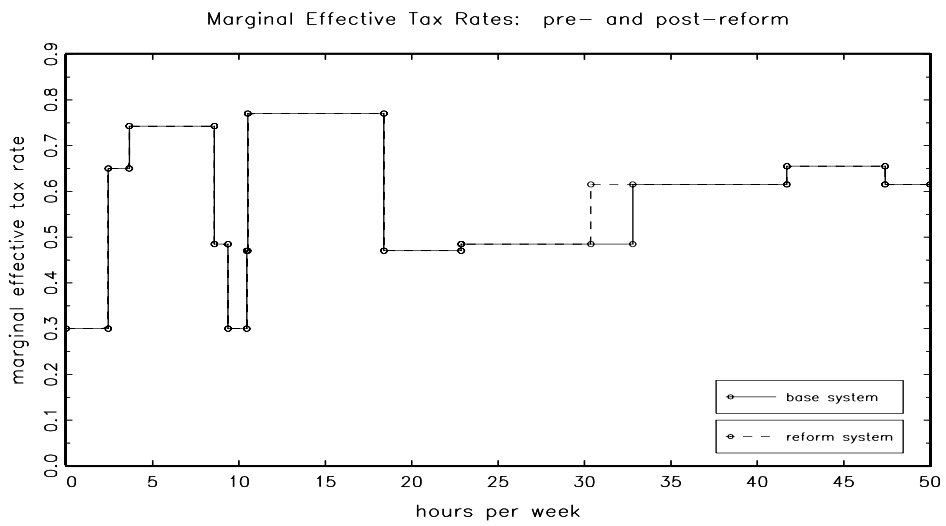


2003/04 EMTRS for spouse in high wage family (base) versus AWE indexing (reform)

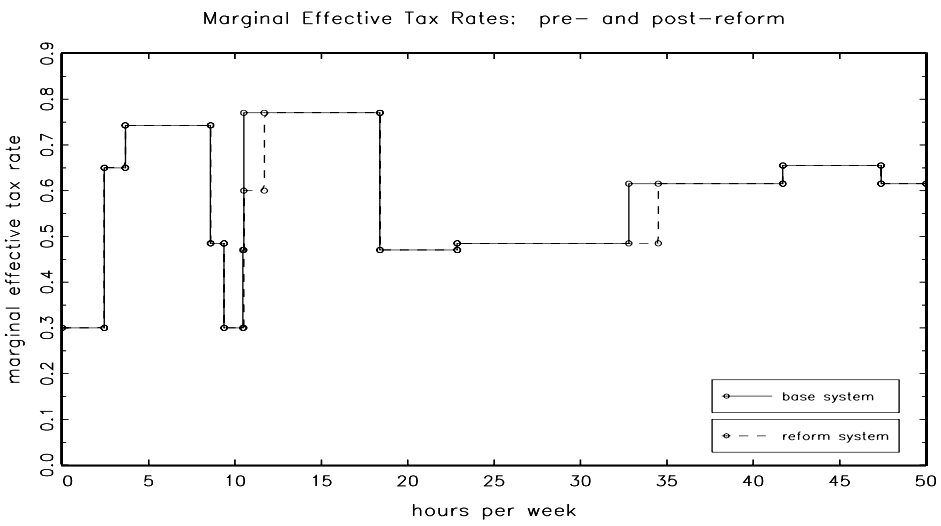
FIGURES H-Spouse: EMTR graphs comparing actual (=base) to alternative (=reform) tax policies (2005/06 Spouse in hypothetical low wage family with full time working partner)



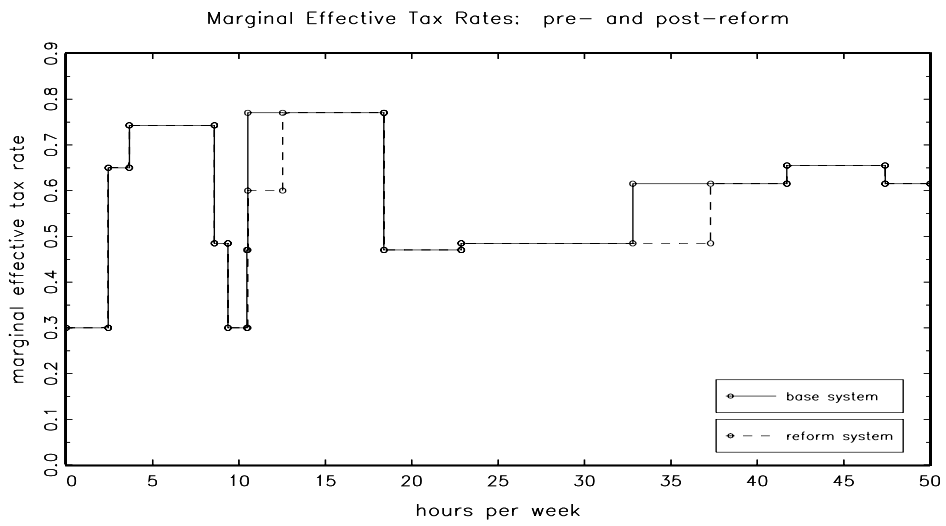
2003/04 EMTRS for spouse in low wage family.



2005/06 EMTRS for spouse in low wage family (base) versus no indexing (reform)

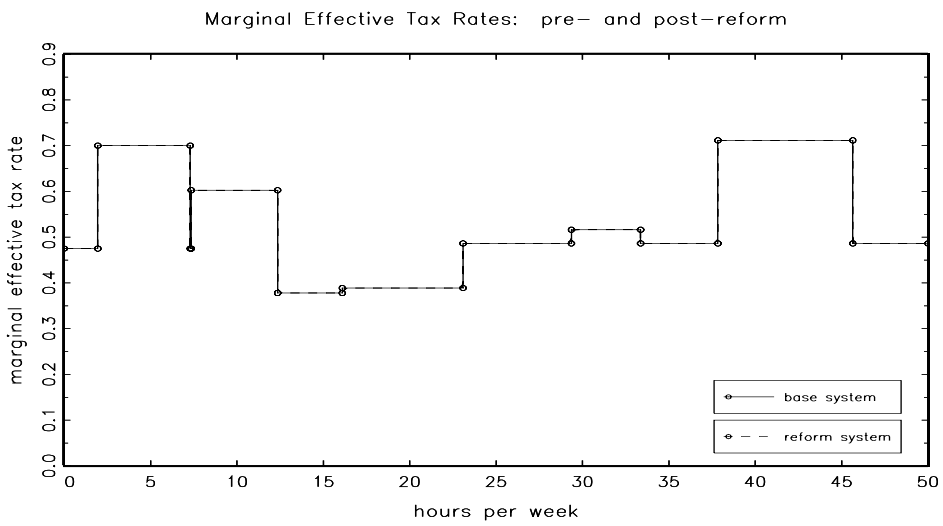


2005/06 EMTRS for spouse in low wage family (base) versus CPI indexing (reform)

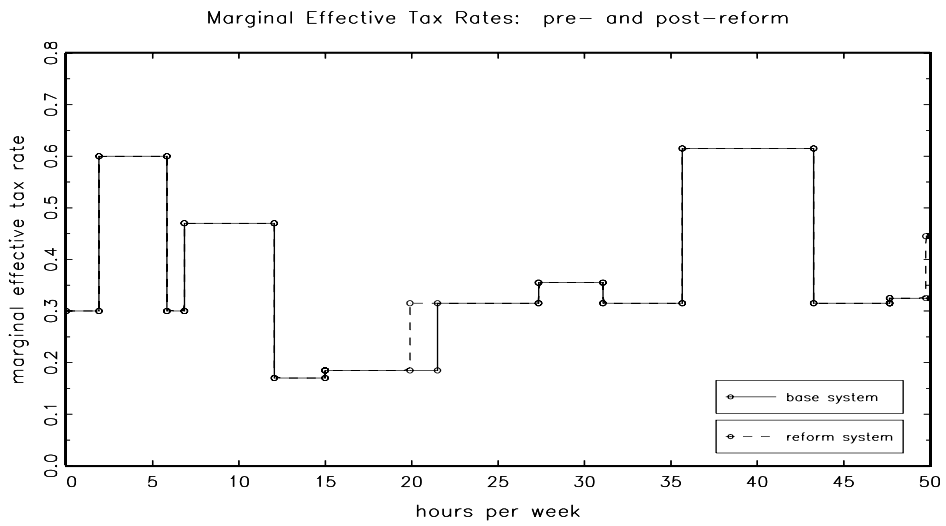


2005/06 EMTRS for spouse in low wage family (base) versus AWE indexing (reform)

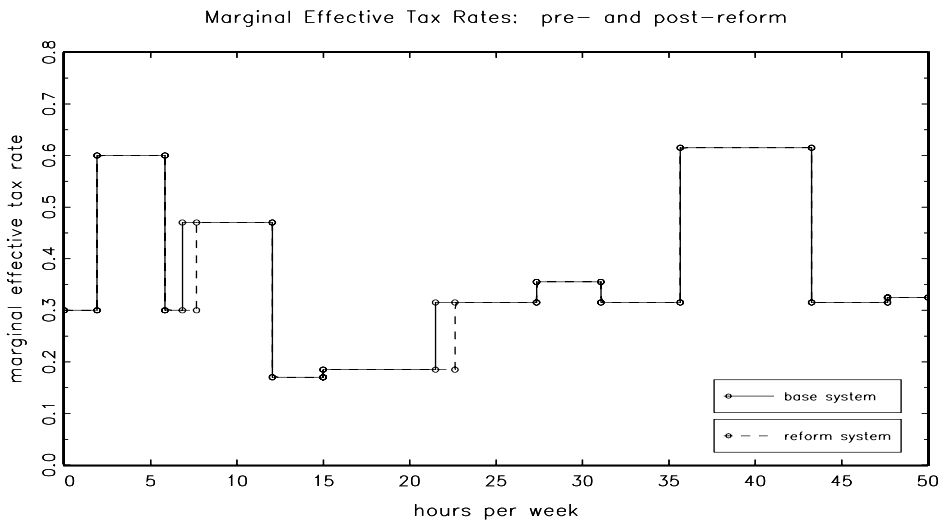
FIGURES I-Spouse: EMTR graphs comparing actual (=base) to alternative (=reform) tax policies (2005/06 Spouse in hypothetical average wage family with full time working partner)



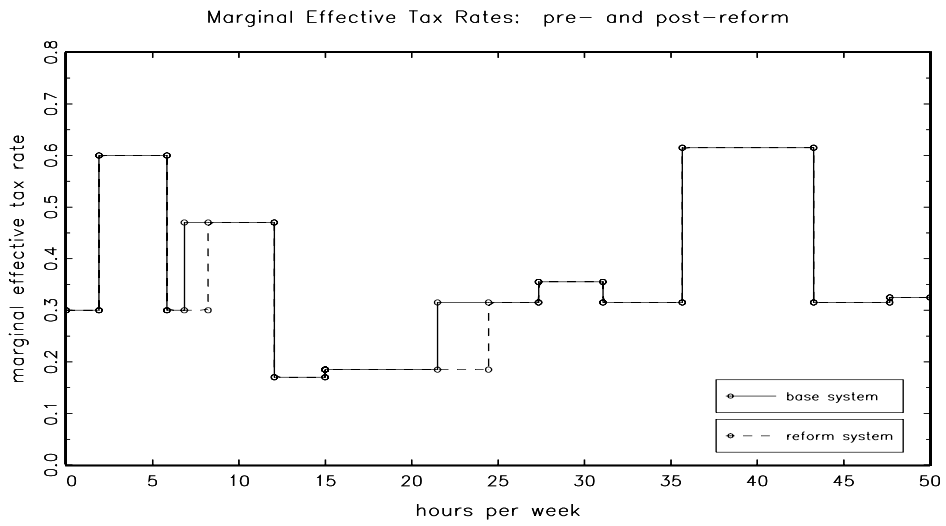
2003/04 EMTRS for spouse in avg wage family.



2005/06 EMTRS for spouse in avg wage family (base) versus no indexing (reform)

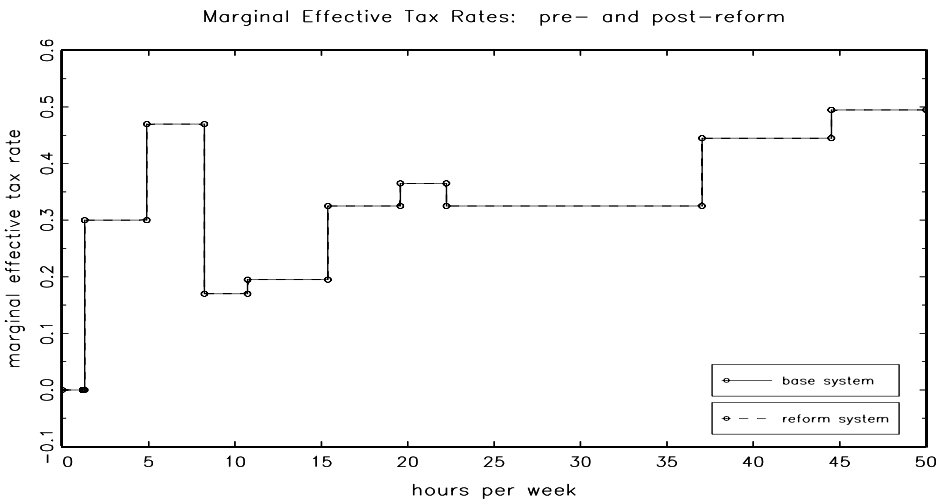


2005/06 EMTRS for spouse in avg wage family (base) versus CPI indexing (reform)

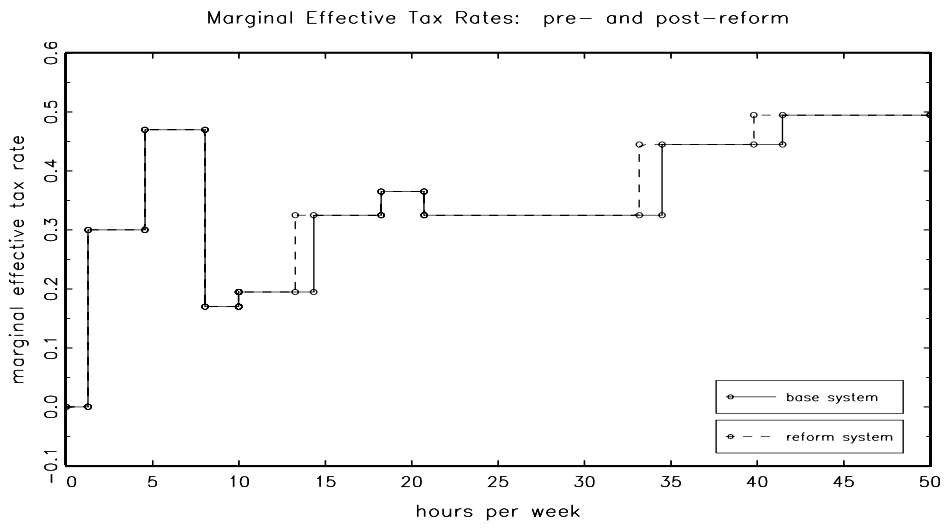


2005/06 EMTRS for spouse in avg wage family (base) versus AWE indexing (reform)

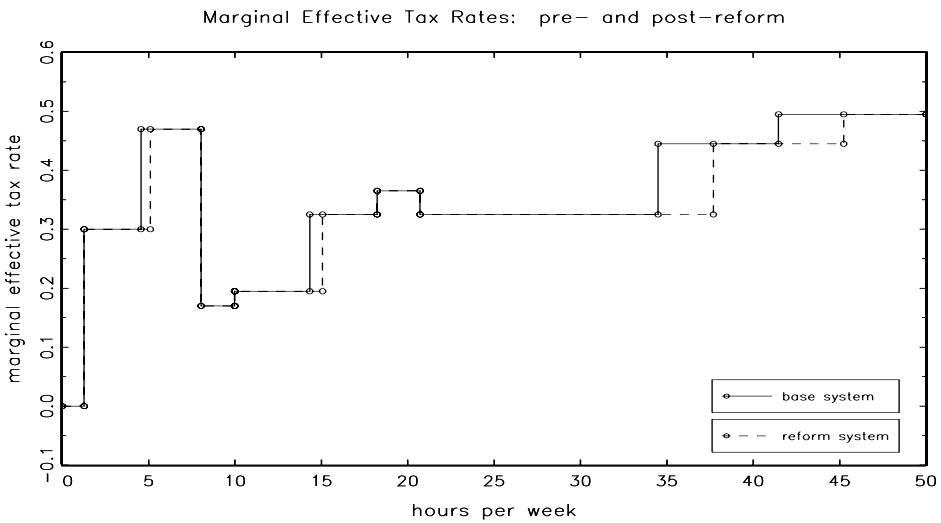
FIGURES J-Spouse: EMTR graphs comparing actual (=base) to alternative (=reform) tax policies (2005/06 Spouse in hypothetical high wage family with full time working partner)



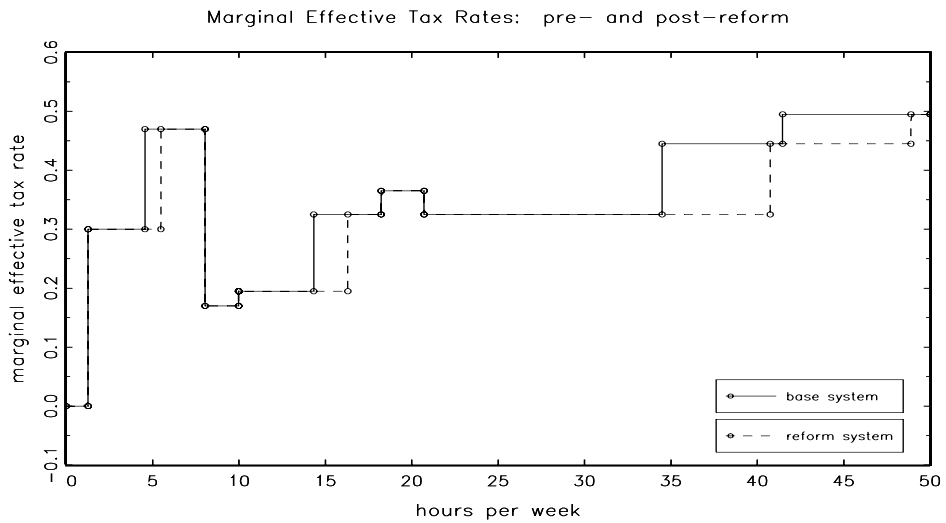
2003/04 EMTRS for spouse in high wage family.



2005/06 EMTRS for spouse in high wage family (base) versus no indexing (reform)



2005/06 EMTRS for spouse in high wage family (base) versus CPI indexing (reform)



2005/06 EMTRS for spouse in high wage family (base) versus AWE indexing (reform)

TABLES C-Spouse. Detailed breakdown of the EMTR graphs in FIGURES C-Spouse (Spouse in low wage family with full time working partner)

2003/04 Spouse in low wage family (partner FT) budget constraint break down

Hours	Gross	TUNet	Mrate	Probable reason for kink
0	0	692.48	0.3	constraint starts
2.63	31.01	714.19	0.65	MR changes for Taxable Allowance
				MR changes for FTPB/FTBB
9	106.21	740.5	0.743	Medicare Levy starts for partner
10.38	122.5	744.7	0.845	partner's MR changes for Medicare Levy
				MR changes for Taxable Allowance
				MR changes for FTPB/FTBB
10.49	123.73	744.89	0.485	partner's MR changes for Medicare Levy
				Taxable Allowance stops
				MR changes for FTPB/FTBB
11.22	132.36	749.34	0.655	(kink not recognised)
11.75	138.68	751.52	0.955	MR changes for FTPA/FTBA
13.01	153.48	752.18	0.77	partner's MR changes for Medicare Levy
18.84	222.28	768.01	0.47	FTPB/FTBB stops
24.55	289.65	803.72	.	----- discontinuity ------
24.55	289.67	799.38	0.485	Medicare Levy starts
35.21	415.38	864.12	0.615	MR changes for Income Tax
44.78	528.37	907.62	0.655	MR changes for Low Income Rebate
50	589.9	928.85	.	constraint ends

2003/04 Spouse in low wage family (partner FT) budget constraint break down (no indexing)

Hours	Gross	TUNet	Mrate	Probable reason for kink
0	0	688.48	0.3	constraint starts
2.63	31	710.18	0.65	MR changes for Taxable Allowance
				MR changes for FTPB/FTBB
9	106.21	736.5	0.742	Medicare Levy starts for partner
10.38	122.5	740.7	0.846	partner's MR changes for Medicare Levy
				MR changes for Taxable Allowance
				MR changes for FTPB/FTBB
10.49	123.71	740.89	0.485	partner's MR changes for Medicare Levy
				Taxable Allowance stops
				MR changes for FTPB/FTBB
11.22	132.36	745.34	0.655	(kink not recognised)
11.75	138.68	747.52	0.955	MR changes for FTPA/FTBA
13.01	153.47	748.18	0.77	partner's MR changes for Medicare Levy
18.84	222.28	764.01	0.47	FTPB/FTBB stops
24.55	289.65	799.72	.	----- discontinuity ------
24.55	289.67	795.38	0.485	Medicare Levy starts
32.6	384.62	844.28	0.615	(kink not recognised)
44.79	528.38	899.63	0.655	MR changes for Low Income Rebate
50	589.9	920.85	.	constraint ends

TABLES C-Spouse. Detailed breakdown of the EMTR graphs in FIGURES C-Spouse (Spouse in low wage family with full time working partner) [CONT'D]

2003/04 Spouse in Low wage family (partner FT) budget constraint break down (CPI indexing)

Hours	Gross	TUNet	Mrate	Probable reason for kink
0	0	694.71	0.3	constraint starts
2.63	31	716.41	0.65	MR changes for Taxable Allowance
				MR changes for FTPB/FTBB
9	106.21	742.73	0.742	Medicare Levy starts for partner
10.38	122.51	746.93	0.846	partner's MR changes for Medicare Levy
				MR changes for Taxable Allowance
				MR changes for FTPB/FTBB
10.49	123.71	747.12	0.485	partner's MR changes for Medicare Levy
				Taxable Allowance stops
				MR changes for FTPB/FTBB
11.75	138.68	754.82	0.785	MR changes for FTPA/FTBA
12.09	142.69	755.68	0.955	(kink not recognised)
13.01	153.48	756.17	0.77	partner's MR changes for Medicare Levy
18.84	222.28	771.99	0.47	FTPB/FTBB stops
24.55	289.65	807.7	.	----- discontinuity ------
24.55	289.67	803.37	0.485	Medicare Levy starts
35.52	419.04	869.99	0.615	(kink not recognised)
44.79	528.38	912.09	0.655	MR changes for Low Income Rebate
50	589.9	933.31	.	constraint ends

2003/04 Spouse in Low wage family (partner FT) budget constraint break down (AWE indexing)

Hours	Gross	TUNet	Mrate	Probable reason for kink
0	0	698.51	0.3	constraint starts
2.63	31.01	720.22	0.65	MR changes for Taxable Allowance
				MR changes for FTPB/FTBB
9	106.2	746.53	0.743	Medicare Levy starts for partner
10.38	122.51	750.73	0.845	partner's MR changes for Medicare Levy
				MR changes for Taxable Allowance
				MR changes for FTPB/FTBB
10.49	123.73	750.92	0.485	partner's MR changes for Medicare Levy
				Taxable Allowance stops
				MR changes for FTPB/FTBB
11.75	138.68	758.62	0.785	MR changes for FTPA/FTBA
12.63	148.99	760.84	0.955	(kink not recognised)
13.01	153.47	761.04	0.77	partner's MR changes for Medicare Levy
18.84	222.28	776.86	0.47	FTPB/FTBB stops
24.55	289.65	812.57	.	----- discontinuity ------
24.55	289.67	808.24	0.485	Medicare Levy starts
37.3	440.04	885.68	0.615	(kink not recognised)
44.79	528.38	919.69	0.655	MR changes for Low Income Rebate
50	589.9	940.91	.	constraint ends

TABLES D-Spouse. Detailed breakdown of the EMTR graphs in FIGURES D-Spouse (Spouse in average wage family with full time working partner)

2003/04 Spouse in Avg wage family (partner FT) budget constraint break down

Hours	Gross	TUNet	Mrate	Probable reason for kink
0	0	868.85	0.3	constraint starts
1.95	35.11	893.42	0.6	MR changes for FTPB/FTBB
7.29	131.22	931.87	0.3	Rent Allowance stops
7.35	132.37	932.67	0.47	(kink not recognised)
12.35	222.28	980.32	0.17	FTPB/FTBB stops
16.09	289.65	1036.24	.	----- discontinuity ------
16.09	289.67	1031.91	0.185	Medicare Levy starts
23.08	415.38	1134.37	0.315	MR changes for Income Tax
29.35	528.37	1211.76	0.355	MR changes for Low Income Rebate
33.36	600.48	1258.28	0.315	Low Income Rebate stops
37.84	681.11	1313.5	0.615	MR changes for FTPA/FTBA
45.64	821.5	1367.56	0.315	FTPA/FTBA stops
50	899.96	1421.3	.	constraint ends

2003/04 Spouse in Avg wage family (partner FT) budget constraint break down (no indexing)

Hours	Gross	TUNet	Mrate	Probable reason for kink
0	0	864.85	0.3	constraint starts
1.95	35.11	889.42	0.6	MR changes for FTPB/FTBB
7.29	131.22	927.87	0.3	Rent Allowance stops
7.35	132.35	928.66	0.47	(kink not recognised)
12.35	222.28	976.32	0.17	FTPB/FTBB stops
16.09	289.65	1032.24	.	----- discontinuity ------
16.09	289.66	1027.9	0.185	Medicare Levy starts
16.09	289.67	1027.91	0.185	Medicare Levy starts
21.37	384.63	1105.3	0.315	(kink not recognised)
29.36	528.38	1203.77	0.355	MR changes for Low Income Rebate
33.36	600.48	1250.28	0.315	Low Income Rebate stops
37.84	681.11	1305.5	0.615	MR changes for FTPA/FTBA
45.64	821.5	1359.56	0.315	FTPA/FTBA stops
50	899.96	1413.3	.	constraint ends

2003/04 Spouse in Avg wage family (partner FT) budget constraint break down (CPI indexing)

Hours	Gross	TUNet	Mrate	Probable reason for kink
0	0	871.08	0.3	constraint starts
1.95	35.1	895.65	0.6	MR changes for FTPB/FTBB
7.29	131.23	934.11	0.3	Rent Allowance stops
7.93	142.68	942.12	0.47	(kink not recognised)
12.35	222.28	984.31	0.17	FTPB/FTBB stops
16.09	289.65	1040.23	.	----- discontinuity ------
16.09	289.67	1035.9	0.185	Medicare Levy starts
16.09	289.67	1035.9	0.185	Medicare Levy starts
23.28	419.04	1141.34	0.315	(kink not recognised)
29.36	528.38	1216.23	0.355	MR changes for Low Income Rebate
33.36	600.48	1262.74	0.315	Low Income Rebate stops
37.84	681.11	1317.97	0.615	MR changes for FTPA/FTBA
45.64	821.5	1372.02	0.315	FTPA/FTBA stops
50	899.96	1425.77	.	constraint ends

2003/04 Spouse in Avg wage family (partner FT) budget constraint break down (AWE indexing

Hours	Gross	TUNet	Mrate	Probable reason for kink
0	0	874.88	0.3	constraint starts
1.95	35.11	899.46	0.6	MR changes for FTPB/FTBB
7.29	131.23	937.91	0.3	Rent Allowance stops
8.28	148.98	950.33	0.47	(kink not recognised)
12.35	222.28	989.18	0.17	FTPB/FTBB stops
16.09	289.65	1045.1	.	----- discontinuity ------
16.09	289.65	1040.76	0.185	Medicare Levy starts
16.09	289.66	1040.76	0.185	Medicare Levy starts
16.09	289.66	1040.76	0.185	Medicare Levy starts
16.09	289.67	1040.77	0.185	Medicare Levy starts
24.45	440.06	1163.33	0.315	(kink not recognised)
29.36	528.38	1223.84	0.355	MR changes for Low Income Rebate
33.36	600.5	1270.35	0.315	Low Income Rebate stops
37.84	681.11	1325.57	0.615	MR changes for FTPA/FTBA
45.64	821.48	1379.61	0.315	FTPA/FTBA stops
50	899.96	1433.37	.	constraint ends

TABLES E-Spouse. Detailed breakdown of the EMTR graphs in FIGURES E-Spouse (Spouse in high wage family with full time working partner)

2003/04 Spouse in High wage family (partner FT) budget constraint break down

Hours	Gross	TUNet	Mrate	Probable reason for kink
0	0	1298.67	0	constraint starts
1.18	31.91	1330.58	0	partner's MR changes for Medicare Levy
1.18	31.92	1330.59	.	----- discontinuity ------
1.18	31.93	1311.39	0	partner's MR changes for Medicare Levy
1.18	31.95	1311.42	0	partner's MR changes for Medicare Levy
1.3	35.12	1314.58	0.3	MR changes for FTPB/FTBB
4.9	132.35	1382.64	0.47	(kink not recognised)
8.23	222.28	1430.3	0.17	FTPB/FTBB stops
10.73	289.65	1486.22	.	----- discontinuity ------
10.73	289.68	1479.01	0.195	Medicare Levy starts
15.39	415.41	1580.21	0.325	MR changes for Income Tax
19.57	528.37	1656.46	0.365	MR changes for Low Income Rebate
22.24	600.48	1702.25	0.325	Low Income Rebate stops
37.04	1000	1971.93	0.445	MR changes for Income Tax
44.52	1201.95	2084.01	0.495	MR changes for Income Tax
50	1349.94	2158.74	.	constraint ends

2003/04 Spouse in High wage family (partner FT) budget constraint break down (no indexing)

Hours	Gross	TUNet	Mrate	Probable reason for kink
0	0	1287.65	0	constraint starts
1.18	31.92	1319.56	0	partner's MR changes for Medicare Levy
1.18	31.92	1319.57	.	----- discontinuity ------
1.18	31.92	1300.37	0	partner's MR changes for Medicare Levy
1.18	31.93	1300.38	0	partner's MR changes for Medicare Levy
1.18	31.95	1300.4	0	partner's MR changes for Medicare Levy
1.3	35.1	1303.54	0.3	MR changes for FTPB/FTBB
4.9	132.35	1371.62	0.47	(kink not recognised)
8.23	222.3	1419.3	0.17	FTPB/FTBB stops
10.73	289.64	1475.2	.	----- discontinuity ------
10.73	289.66	1467.97	0.195	Medicare Levy starts
10.73	289.68	1467.99	0.195	Medicare Levy starts
14.25	384.64	1544.43	0.325	(kink not recognised)
19.57	528.37	1641.44	0.365	MR changes for Low Income Rebate
22.24	600.51	1687.25	0.325	Low Income Rebate stops
35.61	961.54	1930.95	0.445	(kink not recognised)
42.74	1153.85	2037.68	0.495	(kink not recognised)
50	1349.94	2136.7	.	constraint ends

TABLES E-Spouse. Detailed breakdown of the EMTR graphs in FIGURES E-Spouse (Spouse in high wage family with full time working partner) [CONT'D]

2003/04 Spouse in High wage family (partner FT) budget constraint break down (CPI indexing)

Hours	Gross	TUNet	Mrate	Probable reason for kink
0	0	1309.37	0	constraint starts
1.18	31.92	1341.29	.	----- discontinuity ------
1.18	31.95	1322.12	0	partner's MR changes for Medicare Levy
1.3	35.1	1325.27	0.3	MR changes for FTPB/FTBB
5.29	142.71	1400.59	0.47	(kink not recognised)
8.23	222.3	1442.78	0.17	FTPB/FTBB stops
10.73	289.64	1498.67	0.17	Medicare Levy starts
10.73	289.65	1498.68	.	----- discontinuity ------
10.73	289.66	1491.44	0.195	Medicare Levy starts
10.73	289.68	1491.47	0.195	Medicare Levy starts
15.52	419.07	1595.62	0.325	(kink not recognised)
19.57	528.39	1669.41	0.365	MR changes for Low Income Rebate
22.24	600.51	1715.2	0.325	Low Income Rebate stops
38.8	1047.6	2016.99	0.445	(kink not recognised)
46.56	1257.12	2133.28	0.495	(kink not recognised)
50	1349.94	2180.15	.	constraint ends

2003/04 Spouse in High wage family (partner FT) budget constraint break down (AWE indexing)

Hours	Gross	TUNet	Mrate	Probable reason for kink
0	0	1322.62	0	constraint starts
1.18	31.92	1354.53	0	partner's MR changes for Medicare Levy
1.18	31.92	1354.54	.	----- discontinuity ------
1.18	31.92	1335.34	0	partner's MR changes for Medicare Levy
1.18	31.93	1335.35	0	partner's MR changes for Medicare Levy
1.18	31.95	1335.37	0	partner's MR changes for Medicare Levy
1.3	35.1	1338.52	0.3	MR changes for FTPB/FTBB
5.52	148.98	1418.23	0.47	(kink not recognised)
8.23	222.3	1457.1	0.17	FTPB/FTBB stops
10.73	289.65	1513	0.17	Medicare Levy starts
10.73	289.65	1513	.	----- discontinuity ------
10.73	289.65	1505.76	0.195	Medicare Levy starts
10.73	289.68	1505.78	0.195	Medicare Levy starts
16.3	440.04	1626.82	0.325	(kink not recognised)
19.57	528.39	1686.46	0.365	MR changes for Low Income Rebate
22.24	600.51	1732.26	0.325	Low Income Rebate stops
40.75	1100.1	2069.48	0.445	(kink not recognised)
48.9	1320.15	2191.6	0.495	(kink not recognised)
50	1349.94	2206.65	.	constraint ends

TABLES H-Spouse. Detailed breakdown of the EMTR graphs in FIGURES H-Spouse (Spouse in low wage family with full time working partner)

2005/06 Spouse in Low wage family (partner FT) budget constraint break down

Hours	Gross	TUNet	Mrate	Probable reason for kink
0	0	723.64	0.3	constraint starts
2.45	31.01	745.34	0.65	MR changes for Taxable Allowance
				MR changes for FTPB/FTBB
3.65	46.28	750.68	0.742	Medicare Levy starts for partner
8.59	108.8	766.78	0.485	partner's MR changes for Medicare Levy
				Taxable Allowance stops
				MR changes for FTPB/FTBB
9.36	118.64	771.85	0.3	partner's MR changes for Medicare Levy
10.45	132.37	781.46	0.47	(kink not recognised)
10.51	133.2	781.89	0.77	MR changes for FTPA/FTBA
18.39	232.96	804.84	0.47	FTPB/FTBB stops
22.86	289.65	834.89	.	----- discontinuity ------
22.86	289.67	830.55	0.485	Medicare Levy starts
32.79	415.38	895.3	0.615	MR changes for Income Tax
41.71	528.37	938.79	0.655	MR changes for Low Income Rebate
47.4	600.48	963.67	0.615	Low Income Rebate stops
50	633.44	976.36	.	constraint ends

2005/06 Spouse in Low wage family (partner FT) budget constraint break down (no indexing)

Hours	Gross	TUNet	Mrate	Probable reason for kink
0	0	719.64	0.3	constraint starts
2.45	31	741.34	0.65	MR changes for Taxable Allowance
				MR changes for FTPB/FTBB
3.65	46.28	746.68	0.742	Medicare Levy starts for partner
8.59	108.8	762.78	0.485	partner's MR changes for Medicare Levy
				Taxable Allowance stops
				MR changes for FTPB/FTBB
9.36	118.64	767.85	0.3	partner's MR changes for Medicare Levy
10.45	132.37	777.46	0.47	(kink not recognised)
10.51	133.2	777.89	0.77	MR changes for FTPA/FTBA
18.39	232.97	800.85	0.47	FTPB/FTBB stops
22.86	289.65	830.89	.	----- discontinuity ------
22.86	289.65	826.54	0.485	Medicare Levy starts
22.86	289.67	826.55	0.485	Medicare Levy starts
30.36	384.63	875.45	0.615	(kink not recognised)
41.71	528.37	930.79	0.655	MR changes for Low Income Rebate
47.4	600.48	955.67	0.615	Low Income Rebate stops
50	633.44	968.36	.	constraint ends

TABLES H-Spouse. Detailed breakdown of the EMTR graphs in FIGURES H-Spouse (Spouse in low wage family with full time working partner) [CONT'D]

2005/06 Spouse in Low wage family (partner FT) budget constraint break down (CPI indexing)

Hours	Gross	TUNet	Mrate	Probable reason for kink
0	0	729.13	0.3	constraint starts
2.45	31	750.83	0.65	MR changes for Taxable Allowance
				MR changes for FTPB/FTBB
3.65	46.28	756.18	0.743	Medicare Levy starts for partner
8.59	108.82	772.29	0.485	partner's MR changes for Medicare Levy
				Taxable Allowance stops
				MR changes for FTPB/FTBB
9.36	118.64	777.35	0.3	partner's MR changes for Medicare Levy
10.51	133.18	787.53	0.6	MR changes for FTPA/FTBA
11.69	148.1	793.49	0.77	(kink not recognised)
18.39	232.96	813.01	0.47	FTPB/FTBB stops
22.86	289.65	843.06	.	----- discontinuity ------
22.86	289.67	838.72	0.485	Medicare Levy starts
34.5	437.08	914.64	0.615	(kink not recognised)
41.71	528.38	949.79	0.655	MR changes for Low Income Rebate
47.4	600.49	974.67	0.615	Low Income Rebate stops
50	633.44	987.35	.	constraint ends

2005/06 Spouse in Low wage family (partner FT) budget constraint break down (AWE indexing)

Hours	Gross	TUNet	Mrate	Probable reason for kink
0	0	735.55	0.3	constraint starts
2.45	31	757.25	0.65	MR changes for Taxable Allowance
				MR changes for FTPB/FTBB
3.65	46.28	762.59	0.742	Medicare Levy starts for partner
8.59	108.8	778.69	0.485	partner's MR changes for Medicare Levy
				Taxable Allowance stops
				MR changes for FTPB/FTBB
9.36	118.63	783.75	0.3	partner's MR changes for Medicare Levy
10.51	133.18	793.94	0.6	MR changes for FTPA/FTBA
12.53	158.74	804.16	0.77	(kink not recognised)
18.39	232.97	821.24	0.47	FTPB/FTBB stops
22.86	289.65	851.28	.	----- discontinuity ------
22.86	289.67	846.94	0.485	Medicare Levy starts
37.3	472.53	941.12	0.615	(kink not recognised)
41.71	528.37	962.61	0.655	MR changes for Low Income Rebate
47.4	600.48	987.49	0.615	Low Income Rebate stops
50	633.44	1000.18	.	constraint ends

TABLES I-Spouse. Detailed breakdown of the EMTR graphs in FIGURES I-Spouse (Spouse in average wage family with full time working partner)

2005/06 Spouse in Avg wage family (partner FT) budget constraint break down

Hours	Gross	TUNet	Mrate	Probable reason for kink
0	0	912.88	0.3	constraint starts
1.9	36.78	938.63	0.6	MR changes for FTPB/FTBB
5.84	112.8	969.04	0.3	Rent Allowance stops
6.85	132.37	982.74	0.47	(kink not recognised)
12.05	232.98	1036.06	0.17	FTPB/FTBB stops
14.99	289.65	1083.1	.	----- discontinuity ------
14.99	289.67	1078.78	0.185	Medicare Levy starts
21.49	415.4	1181.24	0.315	MR changes for Income Tax
27.34	528.37	1258.62	0.355	MR changes for Low Income Rebate
31.07	600.5	1305.15	0.315	Low Income Rebate stops
35.65	689.13	1365.85	0.615	MR changes for FTPA/FTBA
43.27	836.24	1422.49	0.315	FTPA/FTBA stops
47.65	921.06	1480.59	.	----- discontinuity ------
47.66	921.08	1461.09	0.325	MR changes for Medicare Levy
50	966.39	1491.67	.	constraint ends

2005/06 Spouse in Avg wage family (partner FT) budget constraint break down (no indexing)

Hours	Gross	TUNet	Mrate	Probable reason for kink
0	0	904.27	0.3	constraint starts
1.9	36.8	930.03	0.6	MR changes for FTPB/FTBB
5.84	112.82	960.44	0.3	Rent Allowance stops
6.85	132.37	974.12	0.47	(kink not recognised)
12.05	232.98	1027.45	0.17	FTPB/FTBB stops
14.99	289.65	1074.49	.	----- discontinuity ------
14.99	289.66	1070.15	0.185	Medicare Levy starts
14.99	289.66	1070.15	0.185	Medicare Levy starts
14.99	289.68	1070.16	0.185	Medicare Levy starts
19.9	384.62	1147.54	0.315	(kink not recognised)
27.34	528.37	1246.01	0.355	MR changes for Low Income Rebate
31.07	600.5	1292.53	0.315	Low Income Rebate stops
35.65	689.13	1353.24	0.615	MR changes for FTPA/FTBA
43.27	836.24	1409.88	0.315	FTPA/FTBA stops
47.65	921.05	1467.97	0.315	MR changes for Medicare Levy
47.65	921.06	1467.98	.	----- discontinuity ------
47.66	921.08	1448.47	0.325	MR changes for Medicare Levy
49.75	961.54	1475.78	0.445	(kink not recognised)
50	966.39	1478.47	.	constraint ends

TABLES I-Spouse. Detailed breakdown of the EMTR graphs in FIGURES I-Spouse (Spouse in average wage family with full time working partner) [CONT'D]

2005/06 Spouse in Avg wage family (partner FT) budget constraint break down (CPI indexing)

Hours	Gross	TUNet	Mrate	Probable reason for kink
0	0	922.08	0.3	constraint starts
1.9	36.8	947.84	0.6	MR changes for FTPB/FTBB
5.84	112.8	978.24	0.3	Rent Allowance stops
7.66	148.09	1002.94	0.47	(kink not recognised)
12.05	232.96	1047.92	0.17	FTPB/FTBB stops
14.99	289.64	1094.96	0.17	Medicare Levy starts
14.99	289.65	1094.98	.	----- discontinuity ------
14.99	289.67	1090.65	0.185	Medicare Levy starts
22.61	437.09	1210.79	0.315	(kink not recognised)
27.34	528.38	1273.33	0.355	MR changes for Low Income Rebate
31.07	600.5	1319.84	0.315	Low Income Rebate stops
35.65	689.11	1380.54	0.615	MR changes for FTPA/FTBA
43.27	836.24	1437.19	0.315	FTPA/FTBA stops
47.65	921.06	1495.29	.	----- discontinuity ------
47.65	921.06	1475.77	0.325	MR changes for Medicare Levy
47.66	921.08	1475.78	0.325	MR changes for Medicare Levy
50	966.39	1506.36	.	constraint ends

2005/06 Spouse in Avg wage family (partner FT) budget constraint break down (AWE indexing)

Hours	Gross	TUNet	Mrate	Probable reason for kink
0	0	928.5	0.3	constraint starts
1.9	36.78	954.25	0.6	MR changes for FTPB/FTBB
5.84	112.82	984.67	0.3	Rent Allowance stops
8.21	158.74	1016.81	0.47	(kink not recognised)
12.05	232.98	1056.16	0.17	FTPB/FTBB stops
14.99	289.65	1103.2	.	----- discontinuity ------
14.99	289.66	1098.86	0.185	Medicare Levy starts
14.99	289.66	1098.86	0.185	Medicare Levy starts
14.99	289.67	1098.86	0.185	Medicare Levy starts
14.99	289.68	1098.87	0.185	Medicare Levy starts
24.45	472.52	1247.89	0.315	(kink not recognised)
27.34	528.37	1286.14	0.355	MR changes for Low Income Rebate
31.07	600.5	1332.67	0.315	Low Income Rebate stops
35.65	689.11	1393.37	0.615	MR changes for FTPA/FTBA
43.27	836.24	1450.02	0.315	FTPA/FTBA stops
47.65	921.06	1508.12	.	----- discontinuity ------
47.66	921.08	1488.61	0.325	MR changes for Medicare Levy
50	966.39	1519.19	.	constraint ends

TABLES J-Spouse. Detailed breakdown of the EMTR graphs in FIGURES J-Spouse (Spouse in high wage family with full time working partner)

2005/06 Spouse in High wage family (partner FT) budget constraint break down

Hours	Gross	TUNet	Mrate	Probable reason for kink
0	0	1353.73	0	constraint starts
1.27	36.81	1390.54	0.3	MR changes for FTPB/FTBB
4.57	132.38	1457.43	0.47	(kink not recognised)
8.04	232.99	1510.76	0.17	FTPB/FTBB stops
9.99	289.65	1557.79	.	----- discontinuity ------
9.99	289.67	1550.56	0.195	Medicare Levy starts
9.99	289.68	1550.58	0.195	Medicare Levy starts
14.33	415.41	1651.78	0.325	MR changes for Income Tax
18.23	528.39	1728.05	0.365	MR changes for Low Income Rebate
20.71	600.48	1773.82	0.325	Low Income Rebate stops
34.49	1000	2043.5	0.445	MR changes for Income Tax
41.46	1201.95	2155.58	0.495	MR changes for Income Tax
50	1449.58	2280.63	.	constraint ends

2005/06 Spouse in High wage family (partner FT) budget constraint break down (no indexing)

Hours	Gross	TUNet	Mrate	Probable reason for kink
0	0	1342.71	0	constraint starts
1.27	36.78	1379.5	0.3	MR changes for FTPB/FTBB
4.57	132.38	1446.41	0.47	(kink not recognised)
8.04	232.99	1499.74	0.17	FTPB/FTBB stops
9.99	289.64	1546.76	0.17	Medicare Levy starts
9.99	289.65	1546.77	.	----- discontinuity ------
9.99	289.66	1539.53	0.195	Medicare Levy starts
9.99	289.66	1539.54	0.195	Medicare Levy starts
9.99	289.68	1539.56	0.195	Medicare Levy starts
13.27	384.64	1616	0.325	(kink not recognised)
18.23	528.39	1713.03	0.365	MR changes for Low Income Rebate
20.71	600.51	1758.82	0.325	Low Income Rebate stops
33.17	961.54	2002.51	0.445	(kink not recognised)
39.8	1153.88	2109.26	0.495	(kink not recognised)
50	1449.58	2258.59	.	constraint ends

2005/06 Spouse in High wage family (partner FT) budget constraint break down (CPI indexing)

Hours	Gross	TUNet	Mrate	Probable reason for kink
0	0	1375.82	0	constraint starts
1.27	36.81	1412.62	0.3	MR changes for FTPB/FTBB
5.11	148.12	1490.53	0.47	(kink not recognised)
8.04	232.99	1535.52	0.17	FTPB/FTBB stops
9.99	289.64	1582.54	0.17	Medicare Levy starts
9.99	289.65	1582.55	.	----- discontinuity ------
9.99	289.65	1575.31	0.195	Medicare Levy starts
9.99	289.68	1575.33	0.195	Medicare Levy starts
15.08	437.1	1694	0.325	(kink not recognised)
18.22	528.37	1755.61	0.365	MR changes for Low Income Rebate
20.71	600.48	1801.4	0.325	Low Income Rebate stops
37.69	1092.69	2133.64	0.445	(kink not recognised)
45.23	1311.23	2254.93	0.495	(kink not recognised)
50	1449.58	2324.8	.	constraint ends

2005/06 Spouse in High wage family (partner FT) budget constraint break down (AWE indexi

Hours	Gross	TUNet	Mrate	Probable reason for kink
0	0	1398.18	0	constraint starts
1.27	36.78	1434.96	0.3	MR changes for FTPB/FTBB
5.48	158.75	1520.34	0.47	(kink not recognised)
8.04	232.99	1559.69	0.17	FTPB/FTBB stops
9.99	289.65	1606.72	.	----- discontinuity ------
9.99	289.66	1599.48	0.195	Medicare Levy starts
9.99	289.67	1599.49	0.195	Medicare Levy starts
9.99	289.68	1599.51	0.195	Medicare Levy starts
16.3	472.52	1746.68	0.325	(kink not recognised)
18.23	528.39	1784.4	0.365	MR changes for Low Income Rebate
20.71	600.51	1830.2	0.325	Low Income Rebate stops
40.75	1181.29	2222.22	0.445	(kink not recognised)
48.9	1417.58	2353.36	0.495	(kink not recognised)
50	1449.58	2369.52	.	constraint ends

TABLES K-Spouse. Detailed breakdown of the EMTR graphs in 2000/01 for spouse in3 hypothetical families

2000/01 Spouse in Low wage family (partner FT) budget constraint break down

Hours	Gross	TUNet	Mrate	Probable reason for kink
0	0	626.38	0.3	constraint starts
2.89	31.01	648.08	0.65	MR changes for Taxable Allowance
				MR changes for FTPB/FTBB
10.12	108.46	675.19	0.742	Medicare Levy starts for partner
10.87	116.49	677.25	0.827	(kink not recognised)
11.43	122.5	678.29	0.896	partner's MR changes for Medicare Levy
				MR changes for Taxable Allowance
				MR changes for FTPB/FTBB
13.15	140.87	680.19	.	----- discontinuity ------
13.15	140.88	677.39	0.955	partner's MR changes for Medicare Levy
				Taxable Allowance stops
				MR changes for FTPA/FTBA
				MR changes for FTPB/FTBB
15.09	161.66	678.33	0.77	partner's MR changes for Medicare Levy
18.47	197.91	686.67	0.47	FTPB/FTBB stops
24.82	265.9	722.71	.	----- discontinuity ------
24.82	265.91	718.73	0.485	Medicare Levy starts
35.9	384.62	779.86	0.655	MR changes for Low Income Rebate
42.63	456.73	804.74	0.615	Low Income Rebate stops
50	535.72	835.15	.	constraint ends

2000/01 Spouse in Avg wage family (partner FT) budget constraint break down

Hours	Gross	TUNet	Mrate	Probable reason for kink
0	0	770.99	0.3	constraint starts
1.9	31.09	792.75	0.6	MR changes for FTPB/FTBB
8.1	132.37	833.26	0.77	(kink not recognised)
8.48	138.55	834.68	0.47	Rent Allowance stops
12.11	197.92	866.15	0.17	FTPB/FTBB stops
16.27	265.9	922.58	.	----- discontinuity ------
16.27	265.92	918.61	0.185	Medicare Levy starts
23.53	384.63	1015.35	0.355	MR changes for Low Income Rebate
27.94	456.75	1061.87	0.315	Low Income Rebate stops
38.3	626.1	1177.87	0.615	MR changes for FTPA/FTBA
45.95	751.03	1225.97	0.315	FTPA/FTBA stops
50	817.3	1271.36	.	constraint ends

2000/01 Spouse in High wage family (partner FT) budget constraint break down

Hours	Gross	TUNet	Mrate	Probable reason for kink
0	0	1153.25	0	constraint starts
1.27	31.08	1184.33	0.3	MR changes for FTPB/FTBB
5.4	132.38	1255.24	0.47	(kink not recognised)
8.07	197.9	1289.96	0.17	FTPB/FTBB stops
10.84	265.89	1346.4	0.17	Medicare Levy starts
10.84	265.9	1346.4	0.17	Medicare Levy starts
10.84	265.9	1346.41	.	----- discontinuity ------
10.85	265.93	1342.44	0.185	Medicare Levy starts
14.03	343.91	1405.99	0.185	MR changes for Medicare Levy
14.03	343.93	1406.01	.	----- discontinuity ------
14.03	343.94	1385.87	0.195	MR changes for Medicare Levy
14.03	343.94	1385.87	0.195	MR changes for Medicare Levy
14.03	343.96	1385.89	0.195	MR changes for Medicare Levy
15.69	384.64	1418.63	0.365	MR changes for Low Income Rebate
18.63	456.76	1464.42	0.325	Low Income Rebate stops
39.22	961.54	1805.15	0.445	MR changes for Income Tax
47.06	1153.87	1911.89	0.495	MR changes for Income Tax
50	1225.95	1948.29	.	constraint ends

TABLE 17: DISTRIBUTION OF HIGHEST INCOME TAX BRACKET BY STATE IN 2000/01 AND 2003/04

	2000/01					2003/04				
	0	**0.17**	**0.3**	**0.42**	**0.47**	**0**	**0.17**	**0.3**	**0.42**	**0.47**
ACT & NT	14.04	22.41	41.38	9.90	12.27	13.48	22.48	37.29	10.89	15.87
Sydney	17.26	32.24	34.64	5.80	10.06	16.82	31.97	33.13	5.43	12.65
Balance of New South Wales	21.07	39.19	30.67	4.83	4.24	20.69	38.78	29.16	6.07	5.30
Adelaide	21.21	33.38	34.82	5.96	4.64	20.76	33.14	33.50	6.11	6.49
Balance of South Australia	19.80	43.72	29.34	2.96	4.17	19.57	42.96	29.36	2.86	5.25
Hobart	21.31	33.66	36.69	6.36	1.99	20.49	33.42	33.76	8.41	3.92
Balance of Tasmania	22.91	40.55	31.90	3.51	1.13	22.48	40.56	30.72	3.71	2.53
Melbourne	19.43	32.13	34.61	5.11	8.72	18.77	31.97	32.70	6.38	10.18
Balance of Victoria	17.76	37.20	34.03	6.20	4.80	17.56	36.77	32.67	4.92	8.08
Brisbane	18.70	34.73	36.11	3.96	6.48	18.48	34.29	34.73	4.55	7.96
Balance of Queensland	19.30	37.45	34.46	4.33	4.46	18.77	37.18	33.70	4.66	5.69
Perth	18.30	32.64	37.31	4.84	6.91	18.12	31.29	36.76	4.87	8.96
Balance of Western Australia	18.68	37.71	31.56	4.98	7.06	17.95	38.09	29.07	6.13	8.76

TABLE 18: ***DISTRIBUTION OF HIGHEST INCOME TAX BRACKET REACHED UNDER DIFFERENT SCENARIOS (New South Wales)***

	SYDNEY					BALANCE OF NSW				
	0	**0.17**	**0.3**	**0.42**	**0.47**	**0**	**0.17**	**0.3**	**0.42**	**0.47**
Tax distribution in 2000/01	17.26	32.24	34.64	5.8	10.06	21.07	39.19	30.67	4.83	4.24
Tax distribution in 2001/02	17.29	31.36	34.22	5.75	11.38	20.83	38.56	30.22	5.57	4.83
...if there would be no indexing	17.29	31.36	34.22	5.75	11.38	20.83	38.56	30.22	5.57	4.83
...if there would be CPI indexing	17.43	32.07	34.41	5.71	10.38	21.07	38.91	30.52	5.29	4.21
...if there would be AWE indexing	17.48	32.02	34.65	5.69	10.16	21.07	38.99	30.8	4.93	4.21
Tax distribution in 2002/03	17.09	30.11	34.67	5.3	12.83	20.83	37.86	29.86	5.82	5.64
...if there would be no indexing	17.09	30.11	34.67	5.3	12.83	20.83	37.86	29.86	5.82	5.64
...if there would be CPI indexing	17.29	31.99	34.08	5.79	10.85	20.99	38.65	30.12	5.85	4.38
...if there would be AWE indexing	17.59	31.91	34.59	5.6	10.31	21.07	39.02	30.68	5.03	4.21
Tax distribution in 2003/04	16.82	31.97	33.13	5.43	12.65	20.69	38.78	29.16	6.07	5.3
...if there would be no indexing	16.82	29.89	34.19	5.41	13.69	20.69	36.93	30.34	4.65	7.39
...if there would be CPI indexing	17.4	31.75	33.82	5.85	11.18	20.99	38.57	30.12	5.85	4.47
...if there would be AWE indexing	18.09	31.75	34.82	5.54	9.8	21.14	39.4	30.96	4.43	4.07
Tax distribution in 2004/05	16.77	31.02	33.21	5.35	13.65	20.53	38.25	29.19	5.17	6.87
...if there would be no indexing	16.77	29.55	32.78	5.97	14.93	20.53	36.29	29.9	5.32	7.97
...if there would be CPI indexing	17.39	31.15	34.22	5.75	11.48	20.99	38.48	29.9	5.61	5.01
...if there would be AWE indexing	18.19	31.68	34.79	5.58	9.76	21.39	39.28	30.92	4.33	4.07
Tax distribution in 2005/06	16.66	30.1	32.38	5.93	14.93	20.34	37.6	28.78	5.41	7.88
...if there would be no indexing	16.66	29.02	31.58	6.58	16.16	20.34	35.55	28.97	5.63	9.51
...if there would be CPI indexing	17.38	30.7	34.3	5.46	12.16	20.99	38.06	30.03	5.81	5.11
...if there would be AWE indexing	18.28	31.56	34.82	5.54	9.8	21.49	39.05	30.96	4.43	4.07

TABLE 19: ***DISTRIBUTION OF HIGHEST INCOME TAX BRACKET REACHED UNDER DIFFERENT SCENARIOS (ACT & NT)***

	ACT & NT				
	0	**0.17**	**0.3**	**0.42**	**0.47**
Tax distribution in 2000/01	14.04	22.41	41.38	9.9	12.27
Tax distribution in 2001/02	13.75	22.11	40.33	9.84	13.98
...if there would be no indexing	13.75	22.11	40.33	9.84	13.98
...if there would be CPI indexing	14.04	22.65	41.17	9.24	12.9
...if there would be AWE indexing	14.04	22.77	41.3	9.44	12.46
Tax distribution in 2002/03	13.67	20.9	38.33	10.99	16.11
...if there would be no indexing	13.67	20.9	38.33	10.99	16.11
...if there would be CPI indexing	14.04	22.41	40.12	10	13.44
...if there would be AWE indexing	14.04	22.77	41.3	9	12.9
Tax distribution in 2003/04	13.48	22.48	37.29	10.89	15.87
...if there would be no indexing	13.48	20.38	38.01	10.03	18.1
...if there would be CPI indexing	14.04	22.26	40.07	9.8	13.84
...if there would be AWE indexing	14.18	22.63	42.5	8.55	12.14
Tax distribution in 2004/05	13.48	21.09	37.37	10.11	17.96
...if there would be no indexing	13.48	19.37	36.4	10.32	20.44
...if there would be CPI indexing	13.86	21.56	40.53	9.91	14.14
...if there would be AWE indexing	14.18	22.63	42.5	8.55	12.14
Tax distribution in 2005/06	13.48	20.54	35.22	10.68	20.07
...if there would be no indexing	13.48	18.96	34.69	10.19	22.67
...if there would be CPI indexing	13.79	21.2	39.59	10	15.42
...if there would be AWE indexing	14.18	22.63	42.5	8.55	12.14

TABLE 20: ***DISTRIBUTION OF HIGHEST INCOME TAX BRACKET REACHED UNDER DIFFERENT SCENARIOS (South Australia)***

	ADELAIDE					BALANCE OF SA				
	0	**0.17**	**0.3**	**0.42**	**0.47**	**0**	**0.17**	**0.3**	**0.42**	**0.47**
Tax distribution in 2000/01	21.21	33.38	34.82	5.96	4.64	19.8	43.72	29.34	2.96	4.17
Tax distribution in 2001/02	21.14	32.92	34.13	6.44	5.38	19.57	43.2	29.12	3.76	4.35
...if there would be no indexing	21.14	32.92	34.13	6.44	5.38	19.57	43.2	29.12	3.76	4.35
...if there would be CPI indexing	21.22	33.3	34.86	5.91	4.71	19.57	43.6	29.48	3	4.35
...if there would be AWE indexing	21.33	33.26	34.92	5.87	4.62	19.57	43.78	29.3	3.18	4.17
Tax distribution in 2002/03	20.85	32.25	34.3	5.84	6.76	19.57	42.71	29.6	2.86	5.25
...if there would be no indexing	20.85	32.25	34.3	5.84	6.76	19.57	42.71	29.6	2.86	5.25
...if there would be CPI indexing	21.19	33.1	34.61	6.05	5.05	19.8	43.37	28.96	3.52	4.35
...if there would be AWE indexing	21.33	33.24	35.03	5.69	4.71	19.8	43.37	29.48	3.18	4.17
Tax distribution in 2003/04	20.76	33.14	33.5	6.11	6.49	19.57	42.96	29.36	2.86	5.25
...if there would be no indexing	20.76	32.11	33.34	5.27	8.53	19.57	40.9	30.58	2.42	6.52
...if there would be CPI indexing	21.19	32.96	34.34	6.22	5.29	19.8	42.97	29.12	3.76	4.35
...if there would be AWE indexing	21.61	33.24	35.05	5.55	4.55	20.26	43.47	29.14	2.96	4.17
Tax distribution in 2004/05	20.7	32.62	32.97	5.33	8.38	19.53	42.76	29.26	2.41	6.04
...if there would be no indexing	20.7	31.53	32.47	5.64	9.65	19.53	40.35	30.26	2.73	7.13
...if there would be CPI indexing	21.14	32.76	34.21	6.22	5.67	19.8	42.73	29.36	3.32	4.79
...if there would be AWE indexing	21.61	33.24	35.05	5.55	4.55	20.77	42.96	29.14	2.96	4.17
Tax distribution in 2005/06	20.55	32.39	31.94	5.54	9.57	19.53	41.34	29.27	2.73	7.13
...if there would be no indexing	20.55	30.96	31.66	6.08	10.75	19.53	39.34	30.66	3.12	7.35
...if there would be CPI indexing	21.02	32.73	33.87	6.02	6.36	19.8	42.73	29.36	3.32	4.79
...if there would be AWE indexing	21.61	33.24	35.05	5.55	4.55	20.77	42.96	29.14	2.96	4.17

TABLE 21: ***DISTRIBUTION OF HIGHEST INCOME TAX BRACKET REACHED UNDER DIFFERENT SCENARIOS (Tasmania)***

	HOBART					BALANCE OF TASMANIA				
	0	**0.17**	**0.3**	**0.42**	**0.47**	**0**	**0.17**	**0.3**	**0.42**	**0.47**
Tax distribution in 2000/01	21.31	33.66	36.69	6.36	1.99	22.91	40.55	31.9	3.51	1.13
Tax distribution in 2001/02	21.31	32.6	36.6	5.97	3.52	22.8	40.09	31.67	3.74	1.7
...if there would be no indexing	21.31	32.6	36.6	5.97	3.52	22.8	40.09	31.67	3.74	1.7
...if there would be CPI indexing	21.31	33.66	37.06	5.67	2.3	23.11	40.5	31.35	3.69	1.36
...if there would be AWE indexing	21.31	33.66	37.45	5.79	1.79	23.11	40.7	31.56	3.51	1.13
Tax distribution in 2002/03	21.03	32.17	34.47	8.41	3.92	22.48	39.14	32.15	3.71	2.53
...if there would be no indexing	21.03	32.17	34.47	8.41	3.92	22.48	39.14	32.15	3.71	2.53
...if there would be CPI indexing	21.31	33.2	36.63	5.9	2.96	23.11	40.5	31.18	3.75	1.47
...if there would be AWE indexing	21.31	33.66	37.45	5.48	2.1	23.31	40.5	31.48	3.36	1.36
Tax distribution in 2003/04	20.49	33.42	33.76	8.41	3.92	22.48	40.56	30.72	3.71	2.53
...if there would be no indexing	20.49	32.39	34.24	8.96	3.92	22.48	38.63	32.01	3.45	3.44
...if there would be CPI indexing	21.53	32.63	36.66	5.66	3.52	23	40.17	31.39	3.74	1.7
...if there would be AWE indexing	21.8	33.41	37.91	5.3	1.56	23.31	40.77	31.46	3.33	1.13
Tax distribution in 2004/05	20.49	32.71	33.92	8.96	3.92	22.11	40.03	30.98	3.59	3.3
...if there would be no indexing	20.49	30.67	35.22	7.47	6.15	22.11	38.83	30.61	4.16	4.29
...if there would be CPI indexing	21.53	32.14	35.36	7.45	3.52	23	39.83	31.41	4.06	1.7
...if there would be AWE indexing	21.8	33.41	37.91	5.3	1.56	23.31	40.77	31.46	3.33	1.13
Tax distribution in 2005/06	20.24	32.64	33.49	7.78	5.84	21.91	39.2	30.44	4.16	4.29
...if there would be no indexing	20.24	30.47	34.18	7.23	7.88	21.91	37.51	30.59	4.77	5.22
...if there would be CPI indexing	21.53	32.15	34.96	7.44	3.92	23	39.43	31.5	3.9	2.16
...if there would be AWE indexing	21.8	33.41	37.91	5.3	1.56	23.31	40.77	31.46	3.33	1.13

TABLE 22: ***DISTRIBUTION OF HIGHEST INCOME TAX BRACKET REACHED UNDER DIFFERENT SCENARIOS (Victoria)***

	MELBOURNE					BALANCE OF VIC				
	0	**0.17**	**0.3**	**0.42**	**0.47**	**0**	**0.17**	**0.3**	**0.42**	**0.47**
Tax distribution in 2000/01	19.43	32.13	34.61	5.11	8.72	17.76	37.2	34.03	6.2	4.8
Tax distribution in 2001/02	19.44	31.35	34	5.9	9.31	17.64	36.46	33.59	5.54	6.76
...if there would be no indexing	19.44	31.35	34	5.9	9.31	17.64	36.46	33.59	5.54	6.76
...if there would be CPI indexing	19.5	31.79	34.76	5	8.94	17.76	36.88	34.01	5.8	5.55
...if there would be AWE indexing	19.55	31.94	34.87	4.9	8.75	17.76	36.99	34.04	6.19	5.02
Tax distribution in 2002/03	19.17	30.49	33.78	6.38	10.18	17.56	35.62	33.58	5.17	8.08
...if there would be no indexing	19.17	30.49	33.78	6.38	10.18	17.56	35.62	33.58	5.17	8.08
...if there would be CPI indexing	19.5	31.56	34.4	5.37	9.18	17.76	36.8	33.98	4.94	6.52
...if there would be AWE indexing	19.55	31.87	34.89	4.8	8.89	17.86	37.02	33.77	5.96	5.39
Tax distribution in 2003/04	18.77	31.97	32.7	6.38	10.18	17.56	36.77	32.67	4.92	8.08
...if there would be no indexing	18.77	30.62	33.36	5.82	11.43	17.56	35.29	33.35	4.36	9.44
...if there would be CPI indexing	19.5	31.42	34.27	5.6	9.21	17.76	36.71	33.61	5.25	6.67
...if there would be AWE indexing	20.05	31.62	34.94	4.82	8.57	17.98	37.27	33.54	6.29	4.92
Tax distribution in 2004/05	18.77	31.13	32.85	5.9	11.35	17.44	36.05	32.83	4.34	9.34
...if there would be no indexing	18.77	30.24	32.45	5.67	12.87	17.44	34.71	32.6	4.53	10.73
...if there would be CPI indexing	19.38	31.38	33.83	6.02	9.39	17.76	36.34	33.59	5.23	7.08
...if there would be AWE indexing	20.09	31.58	34.94	4.87	8.52	17.98	37.27	33.54	6.29	4.92
Tax distribution in 2005/06	18.49	30.9	32.07	5.71	12.83	17.44	35.52	32.06	4.51	10.47
...if there would be no indexing	18.49	29.82	31.22	6.62	13.85	17.44	34.3	32.09	4.83	11.35
...if there would be CPI indexing	19.39	31.07	33.7	6.02	9.82	17.76	35.86	33.94	5.13	7.31
...if there would be AWE indexing	20.17	31.5	34.94	4.82	8.57	18.1	37.15	33.54	6.29	4.92

TABLE 23: ***DISTRIBUTION OF HIGHEST INCOME TAX BRACKET REACHED UNDER DIFFERENT SCENARIOS (Queensland)***

	BRISBANE					BALANCE OF QLD				
	0	**0.17**	**0.3**	**0.42**	**0.47**	**0**	**0.17**	**0.3**	**0.42**	**0.47**
Tax distribution in 2000/01	18.7	34.73	36.11	3.96	6.48	19.3	37.45	34.46	4.33	4.46
Tax distribution in 2001/02	18.58	34.08	35.54	4.43	7.37	19.12	37.01	34.18	4.86	4.83
...if there would be no indexing	18.58	34.08	35.54	4.43	7.37	19.12	37.01	34.18	4.86	4.83
...if there would be CPI indexing	18.92	34.55	35.62	4.34	6.57	19.18	37.42	34.62	4.1	4.68
...if there would be AWE indexing	19.04	34.6	35.81	3.99	6.57	19.18	37.53	34.81	3.9	4.58
Tax distribution in 2002/03	18.73	32.9	35.73	4.5	8.13	18.77	36.04	34.84	4.58	5.77
...if there would be no indexing	18.73	32.9	35.73	4.5	8.13	18.77	36.04	34.84	4.58	5.77
...if there would be CPI indexing	18.94	34.21	35.59	4.37	6.89	19.25	37.11	34.2	4.68	4.75
...if there would be AWE indexing	19.15	34.54	35.65	4.09	6.57	19.33	37.38	34.81	3.9	4.58
Tax distribution in 2003/04	18.48	34.29	34.73	4.55	7.96	18.77	37.18	33.7	4.66	5.69
...if there would be no indexing	18.48	32.59	35.28	4.48	9.18	18.77	34.79	35.2	4.21	7.03
...if there would be CPI indexing	18.94	33.97	35.35	4.45	7.29	19.25	37.04	34.02	4.94	4.75
...if there would be AWE indexing	19.28	35.39	34.97	3.89	6.47	19.42	37.84	34.57	3.86	4.31
Tax distribution in 2004/05	18.5	33.24	34.7	4.48	9.09	18.4	36.59	33.88	4.17	6.96
...if there would be no indexing	18.5	32.01	33.81	5.81	9.88	18.4	34.43	34.88	4.21	8.08
...if there would be CPI indexing	18.94	33.71	35.54	4.43	7.37	19.25	36.6	34.36	4.68	5.1
...if there would be AWE indexing	19.46	35.2	34.97	3.98	6.38	19.42	37.92	34.49	3.95	4.22
Tax distribution in 2005/06	18.2	33.18	32.93	5.9	9.79	18.29	35.49	33.93	4.34	7.95
...if there would be no indexing	18.2	32.16	32.62	6.2	10.83	18.29	33.74	34.85	4.26	8.87
...if there would be CPI indexing	18.94	33.13	35.75	4.71	7.48	19.01	36.17	34.82	4.74	5.26
...if there would be AWE indexing	19.58	35.01	35.05	3.89	6.47	19.49	37.77	34.57	3.86	4.31

TABLE 24: ***DISTRIBUTION OF HIGHEST INCOME TAX BRACKET REACHED UNDER DIFFERENT SCENARIOS (Western Australia)***

	PERTH					BALANCE OF WA				
	0	**0.17**	**0.3**	**0.42**	**0.47**	**0**	**0.17**	**0.3**	**0.42**	**0.47**
Tax distribution in 2000/01	18.3	32.64	37.31	4.84	6.91	18.68	37.71	31.56	4.98	7.06
Tax distribution in 2001/02	18.24	31.22	37.62	4.61	8.31	18.5	37.54	29.87	5.97	8.13
...if there would be no indexing	18.24	31.22	37.62	4.61	8.31	18.5	37.54	29.87	5.97	8.13
...if there would be CPI indexing	18.44	32.2	37.24	4.91	7.22	18.71	37.52	31.46	5.06	7.26
...if there would be AWE indexing	18.44	32.43	37.45	4.71	6.98	18.71	37.75	31.7	4.59	7.26
Tax distribution in 2002/03	18.12	30.32	37.64	4.95	8.96	18.16	37.29	29.65	6.13	8.76
...if there would be no indexing	18.12	30.32	37.64	4.95	8.96	18.16	37.29	29.65	6.13	8.76
...if there would be CPI indexing	18.37	31.89	37.15	4.8	7.79	18.5	37.54	31.27	5.44	7.26
...if there would be AWE indexing	18.44	32.4	37.21	4.74	7.22	18.71	37.75	31.42	4.86	7.26
Tax distribution in 2003/04	18.12	31.29	36.76	4.87	8.96	17.95	38.09	29.07	6.13	8.76
...if there would be no indexing	18.12	29.87	37.14	4.81	10.06	17.95	36.63	29.43	5.85	10.14
...if there would be CPI indexing	18.54	31.38	37.44	4.44	8.21	18.68	37.36	30.65	5.18	8.13
...if there would be AWE indexing	19.03	32.19	37.38	4.54	6.86	18.89	38.48	30.79	4.78	7.06
Tax distribution in 2004/05	17.59	30.86	36.76	5.07	9.73	17.95	37.69	28.56	5.88	9.92
...if there would be no indexing	17.59	29.66	36.52	5	11.23	17.95	36.01	29.35	4.84	11.84
...if there would be CPI indexing	18.41	30.84	37.5	4.86	8.39	18.68	37.36	30.1	5.32	8.54
...if there would be AWE indexing	19.03	32.19	37.38	4.54	6.86	18.89	38.48	30.79	4.78	7.06
Tax distribution in 2005/06	17.36	30.63	35.78	5.17	11.06	17.42	37.15	28.95	4.62	11.84
...if there would be no indexing	17.36	29.4	35.78	5.22	12.24	17.42	34.66	30.82	4.78	12.31
...if there would be CPI indexing	18.22	30.96	37.15	4.98	8.69	18.68	37.16	29.85	5.78	8.54
...if there would be AWE indexing	19.03	32.19	37.38	4.54	6.86	18.89	38.48	30.79	4.78	7.06

TABLE 25: DISTRIBUTION OF HIGHEST INCOME TAX BRACKET FOR NON-ZERO TAX PAYERS BY STATE IN 2000/01 AND 2003/04

	2000/01					2003/04				
	0	**0.17**	**0.3**	**0.42**	**0.47**	**0**	**0.17**	**0.3**	**0.42**	**0.47**
ACT & NT	-	15.42	55.08	13.18	16.33	-	15.60	49.14	14.35	20.91
Sydney	-	20.24	54.71	9.16	15.89	-	19.46	52.10	8.54	19.90
Balance of New South Wales	-	25.65	57.38	9.03	7.94	-	24.82	54.10	11.26	9.83
Adelaide	-	21.24	60.39	10.33	8.04	-	21.19	57.27	10.44	11.10
Balance of South Australia	-	31.17	55.37	5.58	7.87	-	29.91	54.92	5.36	9.81
Hobart	-	23.35	62.45	10.82	3.38	-	22.80	56.54	14.09	6.56
Balance of Tasmania	-	30.56	60.63	6.67	2.14	-	31.38	57.04	6.89	4.69
Melbourne	-	20.16	57.05	8.42	14.37	-	19.53	53.41	10.43	16.63
Balance of Victoria	-	25.01	56.66	10.33	8.00	-	24.99	53.66	8.09	13.27
Brisbane	-	22.03	60.47	6.64	10.86	-	21.64	57.62	7.54	13.20
Balance of Queensland	-	27.74	57.57	7.23	7.45	-	27.89	55.17	7.63	9.31
Perth	-	22.79	58.71	7.62	10.87	-	21.16	57.28	7.60	13.96
Balance of Western Australia	-	26.06	53.52	8.45	11.97	-	26.12	48.85	10.30	14.73

TABLE 26: DISTRIBUTION OF HIGHEST INCOME TAX BRACKET REACHED UNDER DIFFERENT SCENARIOS (COUPLES)

	In percentage					In cumulative percentage				
	0	**0.17**	**0.3**	**0.42**	**0.47**	**0**	**0.17**	**0.3**	**0.42**	**0.47**
Tax distribution in 2000/01	14.79	39.20	34.13	4.88	7.00	14.79	53.98	88.12	93.00	100.00
...if there would be no indexing	14.79	39.20	34.13	4.88	7.00	14.79	53.98	88.12	93.00	100.00
...if there would be CPI indexing	14.79	39.20	34.13	4.88	7.00	14.79	53.98	88.12	93.00	100.00
...if there would be AWE indexing	14.79	39.20	34.13	4.88	7.00	14.79	53.98	88.12	93.00	100.00
Tax distribution in 2001/02	14.65	38.15	34.14	5.20	7.86	14.65	52.80	86.94	92.14	100.00
...if there would be no indexing	14.65	38.15	34.14	5.20	7.86	14.65	52.80	86.94	92.14	100.00
...if there would be CPI indexing	14.76	38.93	34.30	4.85	7.17	14.76	53.69	87.98	92.83	100.00
...if there would be AWE indexing	14.79	39.02	34.50	4.64	7.04	14.79	53.81	88.32	92.96	100.00
Tax distribution in 2002/03	14.51	37.49	33.93	5.34	8.72	14.51	52.00	85.94	91.28	100.00
...if there would be no indexing	14.51	37.49	33.93	5.34	8.72	14.51	52.00	85.94	91.28	100.00
...if there would be CPI indexing	14.77	38.63	34.07	4.98	7.54	14.77	53.40	87.48	92.46	100.00
...if there would be AWE indexing	14.87	38.92	34.42	4.63	7.16	14.87	53.79	88.21	92.84	100.00
Tax distribution in 2003/04	14.41	38.56	33.10	5.28	8.64	14.41	52.97	86.07	91.36	100.00
...if there would be no indexing	14.41	36.91	33.71	5.13	9.85	14.41	51.32	85.03	90.15	100.00
...if there would be CPI indexing	14.83	38.43	33.94	5.06	7.74	14.83	53.26	87.20	92.26	100.00
...if there would be AWE indexing	15.10	39.16	34.40	4.53	6.80	15.10	54.26	88.66	93.20	100.00
Tax distribution in 2004/05	14.28	37.91	32.90	5.20	9.71	14.28	52.19	85.09	90.29	100.00
...if there would be no indexing	14.28	36.30	33.00	5.42	11.01	14.28	50.58	83.58	88.99	100.00
...if there would be CPI indexing	14.76	38.07	34.02	5.15	7.99	14.76	52.83	86.85	92.01	100.00
...if there would be AWE indexing	15.10	39.19	34.38	4.59	6.75	15.10	54.29	88.66	93.25	100.00
Tax distribution in 2005/06	14.17	37.30	32.19	5.39	10.95	14.17	51.47	83.65	89.05	100.00
...if there would be no indexing	14.17	35.83	31.80	6.20	12.00	14.17	50.00	81.80	88.00	100.00
...if there would be CPI indexing	14.69	37.81	33.96	5.15	8.39	14.69	52.50	86.46	91.61	100.00
...if there would be AWE indexing	15.10	39.16	34.40	4.53	6.80	15.10	54.26	88.66	93.20	100.00

TABLE 27: DISTRIBUTION OF HIGHEST INCOME TAX BRACKET REACHED UNDER DIFFERENT SCENARIOS (COUPLES WITH DEPENDENT CHILDREN)

	In percentage					In cumulative percentage				
	0	**0.17**	**0.3**	**0.42**	**0.47**	**0**	**0.17**	**0.3**	**0.42**	**0.47**
Tax distribution in 2000/01	19.25	21.36	39.06	8.15	12.19	19.25	40.60	79.66	87.81	100.00
...if there would be no indexing	19.25	21.36	39.06	8.15	12.19	19.25	40.60	79.66	87.81	100.00
...if there would be CPI indexing	19.25	21.36	39.06	8.15	12.19	19.25	40.60	79.66	87.81	100.00
...if there would be AWE indexing	19.25	21.36	39.06	8.15	12.19	19.25	40.60	79.66	87.81	100.00
Tax distribution in 2001/02	19.44	20.59	37.90	8.26	13.81	19.44	40.03	77.93	86.19	100.00
...if there would be no indexing	19.44	20.59	37.90	8.26	13.81	19.44	40.03	77.93	86.19	100.00
...if there would be CPI indexing	19.47	21.19	38.57	7.99	12.77	19.47	40.66	79.24	87.23	100.00
...if there would be AWE indexing	19.51	21.28	38.77	8.07	12.37	19.51	40.79	79.56	87.63	100.00
Tax distribution in 2002/03	19.30	19.78	37.31	7.85	15.76	19.30	39.08	76.39	84.24	100.00
...if there would be no indexing	19.30	19.78	37.31	7.85	15.76	19.30	39.08	76.39	84.24	100.00
...if there would be CPI indexing	19.48	20.94	38.13	8.13	13.31	19.48	40.42	78.55	86.69	100.00
...if there would be AWE indexing	19.55	21.24	38.75	7.86	12.60	19.55	40.79	79.54	87.40	100.00
Tax distribution in 2003/04	19.27	20.86	36.30	8.15	15.42	19.27	40.12	76.43	84.58	100.00
...if there would be no indexing	19.27	19.13	37.10	6.93	17.57	19.27	38.40	75.50	82.43	100.00
...if there would be CPI indexing	19.48	20.86	37.71	8.31	13.62	19.48	40.35	78.06	86.38	100.00
...if there would be AWE indexing	19.63	21.51	38.89	7.91	12.06	19.63	41.14	80.03	87.94	100.00
Tax distribution in 2004/05	19.08	20.24	36.26	7.07	17.36	19.08	39.32	75.58	82.64	100.00
...if there would be no indexing	19.08	18.70	36.16	6.64	19.42	19.08	37.78	73.93	80.58	100.00
...if there would be CPI indexing	19.52	20.45	37.72	8.37	13.95	19.52	39.97	77.69	86.05	100.00
...if there would be AWE indexing	19.79	21.35	38.93	7.89	12.04	19.79	41.14	80.07	87.96	100.00
Tax distribution in 2005/06	18.90	19.65	35.41	6.76	19.28	18.90	38.54	73.95	80.72	100.00
...if there would be no indexing	18.90	18.37	35.03	6.85	20.86	18.90	37.26	72.29	79.14	100.00
...if there would be CPI indexing	19.49	20.23	37.39	8.26	14.61	19.49	39.73	77.12	85.39	100.00
...if there would be AWE indexing	19.89	21.25	38.89	7.91	12.06	19.89	41.14	80.03	87.94	100.00

TABLE 28: DISTRIBUTION OF HIGHEST INCOME TAX BRACKET REACHED UNDER DIFFERENT SCENARIOS (SINGLE FEMALES)

	In percentage					In cumulative percentage				
	0	**0.17**	**0.3**	**0.42**	**0.47**	**0**	**0.17**	**0.3**	**0.42**	**0.47**
Tax distribution in 2000/01	25.10	42.61	27.41	3.07	1.81	25.10	67.71	95.12	98.19	100.00
...if there would be no indexing	25.10	42.61	27.41	3.07	1.81	25.10	67.71	95.12	98.19	100.00
...if there would be CPI indexing	25.10	42.61	27.41	3.07	1.81	25.10	67.71	95.12	98.19	100.00
...if there would be AWE indexing	25.10	42.61	27.41	3.07	1.81	25.10	67.71	95.12	98.19	100.00
Tax distribution in 2001/02	24.83	42.49	27.24	3.31	2.13	24.83	67.32	94.56	97.87	100.00
...if there would be no indexing	24.83	42.49	27.24	3.31	2.13	24.83	67.32	94.56	97.87	100.00
...if there would be CPI indexing	25.19	42.55	27.57	2.90	1.78	25.19	67.74	95.31	98.22	100.00
...if there would be AWE indexing	25.26	42.58	27.74	2.65	1.77	25.26	67.84	95.57	98.23	100.00
Tax distribution in 2002/03	24.52	40.99	28.47	3.44	2.57	24.52	65.51	93.98	97.43	100.00
...if there would be no indexing	24.52	40.99	28.47	3.44	2.57	24.52	65.51	93.98	97.43	100.00
...if there would be CPI indexing	24.99	42.55	27.58	3.07	1.81	24.99	67.54	95.12	98.19	100.00
...if there would be AWE indexing	25.27	42.61	27.69	2.65	1.77	25.27	67.89	95.57	98.23	100.00
Tax distribution in 2003/04	24.10	43.25	26.67	3.42	2.55	24.10	67.36	94.02	97.45	100.00
...if there would be no indexing	24.10	41.03	28.26	3.62	2.99	24.10	65.13	93.39	97.01	100.00
...if there would be CPI indexing	24.98	42.49	27.54	3.14	1.85	24.98	67.47	95.01	98.15	100.00
...if there would be AWE indexing	25.75	42.55	27.70	2.33	1.67	25.75	68.30	96.00	98.33	100.00
Tax distribution in 2004/05	24.06	41.98	27.48	3.58	2.90	24.06	66.04	93.52	97.10	100.00
...if there would be no indexing	24.06	40.60	28.08	3.64	3.63	24.06	64.65	92.73	96.37	100.00
...if there would be CPI indexing	24.92	42.40	27.24	3.31	2.13	24.92	67.32	94.56	97.87	100.00
...if there would be AWE indexing	25.99	42.44	27.57	2.38	1.62	25.99	68.43	96.00	98.38	100.00
Tax distribution in 2005/06	23.66	41.49	27.58	3.73	3.54	23.66	65.15	92.73	96.46	100.00
...if there would be no indexing	23.66	40.20	27.96	3.76	4.43	23.66	63.86	91.81	95.57	100.00
...if there would be CPI indexing	24.90	41.77	27.62	3.51	2.19	24.90	66.67	94.30	97.81	100.00
...if there would be AWE indexing	25.99	42.31	27.70	2.33	1.67	25.99	68.30	96.00	98.33	100.00

TABLE 29: DISTRIBUTION OF HIGHEST INCOME TAX BRACKET REACHED UNDER DIFFERENT SCENARIOS (SINGLE MALES)

	In percentage					In cumulative percentage				
	0	**0.17**	**0.3**	**0.42**	**0.47**	**0**	**0.17**	**0.3**	**0.42**	**0.47**
Tax distribution in 2000/01	22.71	32.92	35.29	3.87	5.21	22.71	55.63	90.92	94.79	100.00
...if there would be no indexing	22.71	32.92	35.29	3.87	5.21	22.71	55.63	90.92	94.79	100.00
...if there would be CPI indexing	22.71	32.92	35.29	3.87	5.21	22.71	55.63	90.92	94.79	100.00
...if there would be AWE indexing	22.71	32.92	35.29	3.87	5.21	22.71	55.63	90.92	94.79	100.00
Tax distribution in 2001/02	22.46	32.26	34.55	4.64	6.09	22.46	54.72	89.27	93.91	100.00
...if there would be no indexing	22.46	32.26	34.55	4.64	6.09	22.46	54.72	89.27	93.91	100.00
...if there would be CPI indexing	22.67	32.61	35.02	4.30	5.39	22.67	55.29	90.31	94.61	100.00
...if there would be AWE indexing	22.71	32.64	35.22	4.15	5.28	22.71	55.35	90.57	94.72	100.00
Tax distribution in 2002/03	22.32	31.30	34.65	4.97	6.76	22.32	53.62	88.27	93.24	100.00
...if there would be no indexing	22.32	31.30	34.65	4.97	6.76	22.32	53.62	88.27	93.24	100.00
...if there would be CPI indexing	22.64	32.44	34.48	4.67	5.77	22.64	55.08	89.56	94.23	100.00
...if there would be AWE indexing	22.83	32.49	35.06	4.22	5.39	22.83	55.32	90.39	94.61	100.00
Tax distribution in 2003/04	21.95	32.43	33.92	4.96	6.74	21.95	54.38	88.30	93.26	100.00
...if there would be no indexing	21.95	31.13	34.27	4.45	8.20	21.95	53.08	87.35	91.80	100.00
...if there would be CPI indexing	22.76	31.96	34.55	4.64	6.09	22.76	54.72	89.27	93.91	100.00
...if there would be AWE indexing	23.55	32.04	35.20	3.98	5.23	23.55	55.59	90.78	94.77	100.00
Tax distribution in 2004/05	21.89	31.75	33.78	4.58	8.01	21.89	53.63	87.41	91.99	100.00
...if there would be no indexing	21.89	30.81	32.40	5.96	8.94	21.89	52.70	85.10	91.06	100.00
...if there would be CPI indexing	22.68	31.59	34.76	4.61	6.36	22.68	54.27	89.03	93.64	100.00
...if there would be AWE indexing	23.55	32.04	35.20	3.98	5.23	23.55	55.59	90.78	94.77	100.00
Tax distribution in 2005/06	21.76	31.49	31.93	5.96	8.87	21.76	53.25	85.18	91.13	100.00
...if there would be no indexing	21.76	30.01	31.67	6.60	9.96	21.76	51.77	83.44	90.04	100.00
...if there would be CPI indexing	22.59	31.23	34.98	4.57	6.63	22.59	53.83	88.80	93.37	100.00
...if there would be AWE indexing	23.77	31.78	35.23	3.98	5.23	23.77	55.56	90.78	94.77	100.00

TABLE 30: DISTRIBUTION OF HIGHEST INCOME TAX BRACKET REACHED UNDER DIFFERENT SCENARIOS (SOLE PARENTS)

	In percentage					In cumulative percentage				
	0	**0.17**	**0.3**	**0.42**	**0.47**	**0**	**0.17**	**0.3**	**0.42**	**0.47**
Tax distribution in 2000/01	3.49	60.51	30.23	3.33	2.45	3.49	63.99	94.22	97.55	100.00
...if there would be no indexing	3.49	60.51	30.23	3.33	2.45	3.49	63.99	94.22	97.55	100.00
...if there would be CPI indexing	3.49	60.51	30.23	3.33	2.45	3.49	63.99	94.22	97.55	100.00
...if there would be AWE indexing	3.49	60.51	30.23	3.33	2.45	3.49	63.99	94.22	97.55	100.00
Tax distribution in 2001/02	3.49	59.46	31.06	3.37	2.62	3.49	62.95	94.01	97.38	100.00
...if there would be no indexing	3.49	59.46	31.06	3.37	2.62	3.49	62.95	94.01	97.38	100.00
...if there would be CPI indexing	3.49	60.23	30.88	3.03	2.37	3.49	63.72	94.60	97.63	100.00
...if there would be AWE indexing	3.49	60.55	30.56	3.03	2.37	3.49	64.04	94.60	97.63	100.00
Tax distribution in 2002/03	3.49	58.06	32.01	3.08	3.36	3.49	61.55	93.56	96.64	100.00
...if there would be no indexing	3.49	58.06	32.01	3.08	3.36	3.49	61.55	93.56	96.64	100.00
...if there would be CPI indexing	3.49	59.94	30.72	3.40	2.45	3.49	63.42	94.15	97.55	100.00
...if there would be AWE indexing	3.49	60.55	30.56	3.03	2.37	3.49	64.04	94.60	97.63	100.00
Tax distribution in 2003/04	3.43	59.66	30.48	3.08	3.36	3.43	63.08	93.56	96.64	100.00
...if there would be no indexing	3.43	57.15	32.31	2.91	4.21	3.43	60.57	92.88	95.79	100.00
...if there would be CPI indexing	3.49	59.85	30.81	3.40	2.45	3.49	63.33	94.15	97.55	100.00
...if there would be AWE indexing	3.49	61.86	29.54	2.97	2.14	3.49	65.35	94.89	97.86	100.00
Tax distribution in 2004/05	3.22	59.26	30.40	3.07	4.04	3.22	62.48	92.88	95.96	100.00
...if there would be no indexing	3.22	56.81	32.16	3.10	4.71	3.22	60.03	92.19	95.29	100.00
...if there would be CPI indexing	3.49	59.65	30.88	2.92	3.07	3.49	63.13	94.01	96.93	100.00
...if there would be AWE indexing	3.49	61.86	29.54	2.97	2.14	3.49	65.35	94.89	97.86	100.00
Tax distribution in 2005/06	3.22	57.35	31.61	3.10	4.71	3.22	60.57	92.19	95.29	100.00
...if there would be no indexing	3.22	55.95	32.22	3.22	5.40	3.22	59.17	91.38	94.60	100.00
...if there would be CPI indexing	3.49	59.15	31.21	2.80	3.36	3.49	62.64	93.85	96.64	100.00
...if there would be AWE indexing	3.49	61.86	29.54	2.97	2.14	3.49	65.35	94.89	97.86	100.00

TABLE 31: DISTRIBUTION OF HIGHEST INCOME TAX BRACKET REACHED UNDER DIFFERENT SCENARIOS FOR NON-ZERO TAX PAYERS (COUPLES)

	In percentage					In cumulative percentage				
	0	**0.17**	**0.3**	**0.42**	**0.47**	**0**	**0.17**	**0.3**	**0.42**	**0.47**
Tax distribution in 2000/01	0.00	20.60	58.90	8.43	12.08	0.00	20.60	79.50	87.92	100.00
...if there would be no indexing	0.00	20.60	58.90	8.43	12.08	0.00	20.60	79.50	87.92	100.00
...if there would be CPI indexing	0.00	20.60	58.90	8.43	12.08	0.00	20.60	79.50	87.92	100.00
...if there would be AWE indexing	0.00	20.60	58.90	8.43	12.08	0.00	20.60	79.50	87.92	100.00
Tax distribution in 2001/02	0.00	18.62	58.87	8.97	13.54	0.00	18.62	77.48	86.46	100.00
...if there would be no indexing	0.00	18.62	58.87	8.97	13.54	0.00	18.62	77.48	86.46	100.00
...if there would be CPI indexing	0.00	20.10	59.17	8.36	12.37	0.00	20.10	79.27	87.63	100.00
...if there would be AWE indexing	0.00	20.25	59.58	8.01	12.16	0.00	20.25	79.83	87.84	100.00
Tax distribution in 2002/03	0.00	17.47	58.35	9.18	14.99	0.00	17.47	75.82	85.01	100.00
...if there would be no indexing	0.00	17.47	58.35	9.18	14.99	0.00	17.47	75.82	85.01	100.00
...if there would be CPI indexing	0.00	19.81	58.64	8.57	12.98	0.00	19.81	78.45	87.02	100.00
...if there would be AWE indexing	0.00	20.43	59.28	7.97	12.32	0.00	20.43	79.71	87.68	100.00
Tax distribution in 2003/04	0.00	19.34	56.77	9.06	14.82	0.00	19.34	76.11	85.18	100.00
...if there would be no indexing	0.00	16.55	57.77	8.79	16.89	0.00	16.55	74.32	83.11	100.00
...if there would be CPI indexing	0.00	19.61	58.38	8.70	13.31	0.00	19.61	77.98	86.69	100.00
...if there would be AWE indexing	0.00	21.20	59.27	7.81	11.72	0.00	21.20	80.47	88.28	100.00
Tax distribution in 2004/05	0.00	18.21	56.29	8.90	16.61	0.00	18.21	74.49	83.39	100.00
...if there would be no indexing	0.00	15.50	56.40	9.27	18.83	0.00	15.50	71.90	81.17	100.00
...if there would be CPI indexing	0.00	19.02	58.41	8.85	13.73	0.00	19.02	77.42	86.27	100.00
...if there would be AWE indexing	0.00	21.33	59.16	7.90	11.61	0.00	21.33	80.49	88.39	100.00
Tax distribution in 2005/06	0.00	17.05	55.01	9.22	18.72	0.00	17.05	72.06	81.28	100.00
...if there would be no indexing	0.00	14.60	54.29	10.60	20.51	0.00	14.60	68.89	79.49	100.00
...if there would be CPI indexing	0.00	18.50	58.27	8.84	14.39	0.00	18.50	76.77	85.61	100.00
...if there would be AWE indexing	0.00	21.28	59.21	7.80	11.71	0.00	21.28	80.49	88.29	100.00

TABLE 32: DISTRIBUTION OF HIGHEST INCOME TAX BRACKET REACHED UNDER DIFFERENT SCENARIOS FOR NON-ZERO TAX PAYERS (COUPLES WITH DEPENDENT CHILDREN)

	In percentage					In cumulative percentage				
	0	**0.17**	**0.3**	**0.42**	**0.47**	**0**	**0.17**	**0.3**	**0.42**	**0.47**
Tax distribution in 2000/01	0.00	18.74	53.44	11.15	16.67	0.00	18.74	72.18	83.33	100.00
...if there would be no indexing	0.00	18.74	53.44	11.15	16.67	0.00	18.74	72.18	83.33	100.00
...if there would be CPI indexing	0.00	18.74	53.44	11.15	16.67	0.00	18.74	72.18	83.33	100.00
...if there would be AWE indexing	0.00	18.74	53.44	11.15	16.67	0.00	18.74	72.18	83.33	100.00
Tax distribution in 2001/02	0.00	17.95	51.85	11.30	18.90	0.00	17.95	69.80	81.10	100.00
...if there would be no indexing	0.00	17.95	51.85	11.30	18.90	0.00	17.95	69.80	81.10	100.00
...if there would be CPI indexing	0.00	18.74	52.83	10.95	17.49	0.00	18.74	71.57	82.51	100.00
...if there would be AWE indexing	0.00	18.91	53.10	11.05	16.94	0.00	18.91	72.00	83.06	100.00
Tax distribution in 2002/03	0.00	16.82	50.95	10.72	21.52	0.00	16.82	67.77	78.48	100.00
...if there would be no indexing	0.00	16.82	50.95	10.72	21.52	0.00	16.82	67.77	78.48	100.00
...if there would be CPI indexing	0.00	18.46	52.19	11.13	18.22	0.00	18.46	70.65	81.78	100.00
...if there would be AWE indexing	0.00	18.91	53.07	10.76	17.26	0.00	18.91	71.98	82.74	100.00
Tax distribution in 2003/04	0.00	18.50	49.42	11.09	20.99	0.00	18.50	67.92	79.01	100.00
...if there would be no indexing	0.00	16.16	50.50	9.43	23.92	0.00	16.16	66.65	76.08	100.00
...if there would be CPI indexing	0.00	18.39	51.60	11.38	18.64	0.00	18.39	69.99	81.36	100.00
...if there would be AWE indexing	0.00	19.35	53.28	10.84	16.53	0.00	19.35	72.64	83.47	100.00
Tax distribution in 2004/05	0.00	17.50	49.29	9.61	23.60	0.00	17.50	66.79	76.40	100.00
...if there would be no indexing	0.00	15.41	49.15	9.03	26.41	0.00	15.41	64.56	73.59	100.00
...if there would be CPI indexing	0.00	17.91	51.58	11.44	19.08	0.00	17.91	69.48	80.92	100.00
...if there would be AWE indexing	0.00	19.32	53.37	10.82	16.50	0.00	19.32	72.68	83.50	100.00
Tax distribution in 2005/06	0.00	16.51	48.11	9.18	26.20	0.00	16.51	64.62	73.80	100.00
...if there would be no indexing	0.00	14.77	47.59	9.30	28.34	0.00	14.77	62.36	71.66	100.00
...if there would be CPI indexing	0.00	17.72	51.05	11.28	19.95	0.00	17.72	68.77	80.05	100.00
...if there would be AWE indexing	0.00	19.40	53.25	10.83	16.52	0.00	19.40	72.65	83.48	100.00

TABLE 33: DISTRIBUTION OF HIGHEST INCOME TAX BRACKET REACHED UNDER DIFFERENT SCENARIOS FOR NON-ZERO TAX PAYERS (SINGLE FEMALES)

	In percentage					In cumulative percentage				
	0	**0.17**	**0.3**	**0.42**	**0.47**	**0**	**0.17**	**0.3**	**0.42**	**0.47**
Tax distribution in 2000/01	0.00	32.38	57.39	6.43	3.80	0.00	32.38	89.77	96.20	100.00
...if there would be no indexing	0.00	32.38	57.39	6.43	3.80	0.00	32.38	89.77	96.20	100.00
...if there would be CPI indexing	0.00	32.38	57.39	6.43	3.80	0.00	32.38	89.77	96.20	100.00
...if there would be AWE indexing	0.00	32.38	57.39	6.43	3.80	0.00	32.38	89.77	96.20	100.00
Tax distribution in 2001/02	0.00	32.05	56.63	6.89	4.43	0.00	32.05	88.68	95.57	100.00
...if there would be no indexing	0.00	32.05	56.63	6.89	4.43	0.00	32.05	88.68	95.57	100.00
...if there would be CPI indexing	0.00	32.49	57.70	6.07	3.74	0.00	32.49	90.19	96.26	100.00
...if there would be AWE indexing	0.00	32.66	58.08	5.55	3.71	0.00	32.66	90.73	96.29	100.00
Tax distribution in 2002/03	0.00	28.48	59.04	7.14	5.34	0.00	28.48	87.52	94.66	100.00
...if there would be no indexing	0.00	28.48	59.04	7.14	5.34	0.00	28.48	87.52	94.66	100.00
...if there would be CPI indexing	0.00	32.13	57.66	6.42	3.79	0.00	32.13	89.79	96.21	100.00
...if there would be AWE indexing	0.00	32.70	58.02	5.56	3.72	0.00	32.70	90.73	96.28	100.00
Tax distribution in 2003/04	0.00	32.98	54.75	7.03	5.24	0.00	32.98	87.72	94.76	100.00
...if there would be no indexing	0.00	28.40	58.03	7.42	6.14	0.00	28.40	86.44	93.86	100.00
...if there would be CPI indexing	0.00	32.26	57.35	6.53	3.86	0.00	32.26	89.61	96.14	100.00
...if there would be AWE indexing	0.00	33.64	58.00	4.87	3.49	0.00	33.64	91.64	96.51	100.00
Tax distribution in 2004/05	0.00	30.86	55.95	7.29	5.90	0.00	30.86	86.81	94.10	100.00
...if there would be no indexing	0.00	28.04	57.16	7.41	7.39	0.00	28.04	85.20	92.61	100.00
...if there would be CPI indexing	0.00	32.15	56.55	6.88	4.42	0.00	32.15	88.70	95.58	100.00
...if there would be AWE indexing	0.00	33.93	57.71	4.98	3.38	0.00	33.93	91.64	96.62	100.00
Tax distribution in 2005/06	0.00	29.79	55.56	7.52	7.13	0.00	29.79	85.35	92.87	100.00
...if there would be no indexing	0.00	27.18	56.33	7.58	8.92	0.00	27.18	83.50	91.08	100.00
...if there would be CPI indexing	0.00	30.90	57.27	7.28	4.55	0.00	30.90	88.17	95.45	100.00
...if there would be AWE indexing	0.00	33.78	57.88	4.86	3.49	0.00	33.78	91.65	96.51	100.00

TABLE 34: DISTRIBUTION OF HIGHEST INCOME TAX BRACKET REACHED UNDER DIFFERENT SCENARIOS FOR NON-ZERO TAX PAYERS (SINGLE MALES)

	In percentage					In cumulative percentage				
	0	**0.17**	**0.3**	**0.42**	**0.47**	**0**	**0.17**	**0.3**	**0.42**	**0.47**
Tax distribution in 2000/01	0.00	25.68	59.11	6.49	8.72	0.00	25.68	84.79	91.28	100.00
...if there would be no indexing	0.00	25.68	59.11	6.49	8.72	0.00	25.68	84.79	91.28	100.00
...if there would be CPI indexing	0.00	25.68	59.11	6.49	8.72	0.00	25.68	84.79	91.28	100.00
...if there would be AWE indexing	0.00	25.68	59.11	6.49	8.72	0.00	25.68	84.79	91.28	100.00
Tax distribution in 2001/02	0.00	24.63	57.51	7.73	10.13	0.00	24.63	82.14	89.87	100.00
...if there would be no indexing	0.00	24.63	57.51	7.73	10.13	0.00	24.63	82.14	89.87	100.00
...if there would be CPI indexing	0.00	25.30	58.51	7.18	9.01	0.00	25.30	83.81	90.99	100.00
...if there would be AWE indexing	0.00	25.25	58.96	6.95	8.84	0.00	25.25	84.21	91.16	100.00
Tax distribution in 2002/03	0.00	23.23	57.35	8.22	11.20	0.00	23.23	80.58	88.80	100.00
...if there would be no indexing	0.00	23.23	57.35	8.22	11.20	0.00	23.23	80.58	88.80	100.00
...if there would be CPI indexing	0.00	24.86	57.68	7.81	9.64	0.00	24.86	82.54	90.36	100.00
...if there would be AWE indexing	0.00	25.12	58.76	7.08	9.04	0.00	25.12	83.89	90.96	100.00
Tax distribution in 2003/04	0.00	24.91	55.83	8.17	11.09	0.00	24.91	80.74	88.91	100.00
...if there would be no indexing	0.00	22.77	56.41	7.33	13.50	0.00	22.77	79.17	86.50	100.00
...if there would be CPI indexing	0.00	24.33	57.74	7.76	10.17	0.00	24.33	82.07	89.83	100.00
...if there would be AWE indexing	0.00	25.51	59.03	6.68	8.77	0.00	25.51	84.54	91.23	100.00
Tax distribution in 2004/05	0.00	23.89	55.45	7.52	13.14	0.00	23.89	79.34	86.86	100.00
...if there would be no indexing	0.00	22.36	53.18	9.79	14.67	0.00	22.36	75.54	85.33	100.00
...if there would be CPI indexing	0.00	23.70	58.00	7.70	10.61	0.00	23.70	81.70	89.39	100.00
...if there would be AWE indexing	0.00	25.35	59.16	6.70	8.79	0.00	25.35	84.51	91.21	100.00
Tax distribution in 2005/06	0.00	23.40	52.31	9.76	14.53	0.00	23.40	75.71	85.47	100.00
...if there would be no indexing	0.00	20.98	51.89	10.82	16.31	0.00	20.98	72.87	83.69	100.00
...if there would be CPI indexing	0.00	23.25	58.14	7.59	11.01	0.00	23.25	81.39	88.99	100.00
...if there would be AWE indexing	0.00	25.29	59.22	6.70	8.79	0.00	25.29	84.51	91.21	100.00

TABLE 35: DISTRIBUTION OF HIGHEST INCOME TAX BRACKET REACHED UNDER DIFFERENT SCENARIOS FOR NON-ZERO TAX PAYERS (SOLE PARENTS)

	In percentage					In cumulative percentage				
	0	**0.17**	**0.3**	**0.42**	**0.47**	**0**	**0.17**	**0.3**	**0.42**	**0.47**
Tax distribution in 2000/01	0.00	21.66	65.77	7.24	5.33	0.00	21.66	87.43	94.67	100.00
...if there would be no indexing	0.00	21.66	65.77	7.24	5.33	0.00	21.66	87.43	94.67	100.00
...if there would be CPI indexing	0.00	21.66	65.77	7.24	5.33	0.00	21.66	87.43	94.67	100.00
...if there would be AWE indexing	0.00	21.66	65.77	7.24	5.33	0.00	21.66	87.43	94.67	100.00
Tax distribution in 2001/02	0.00	19.39	67.58	7.32	5.71	0.00	19.39	86.97	94.29	100.00
...if there would be no indexing	0.00	19.39	67.58	7.32	5.71	0.00	19.39	86.97	94.29	100.00
...if there would be CPI indexing	0.00	21.07	67.19	6.59	5.16	0.00	21.07	88.25	94.84	100.00
...if there would be AWE indexing	0.00	21.77	66.48	6.59	5.16	0.00	21.77	88.25	94.84	100.00
Tax distribution in 2002/03	0.00	16.35	69.64	6.71	7.30	0.00	16.35	85.99	92.70	100.00
...if there would be no indexing	0.00	16.35	69.64	6.71	7.30	0.00	16.35	85.99	92.70	100.00
...if there would be CPI indexing	0.00	20.43	66.84	7.40	5.33	0.00	20.43	87.26	94.67	100.00
...if there would be AWE indexing	0.00	21.77	66.48	6.59	5.16	0.00	21.77	88.25	94.84	100.00
Tax distribution in 2003/04	0.00	20.46	65.67	6.64	7.23	0.00	20.46	86.13	92.77	100.00
...if there would be no indexing	0.00	15.05	69.61	6.27	9.06	0.00	15.05	84.66	90.94	100.00
...if there would be CPI indexing	0.00	21.00	66.39	7.33	5.28	0.00	21.00	87.39	94.72	100.00
...if there would be AWE indexing	0.00	25.34	63.65	6.39	4.61	0.00	25.34	89.00	95.39	100.00
Tax distribution in 2004/05	0.00	19.30	65.39	6.61	8.70	0.00	19.30	84.69	91.30	100.00
...if there would be no indexing	0.00	14.04	69.16	6.67	10.13	0.00	14.04	83.20	89.87	100.00
...if there would be CPI indexing	0.00	20.71	66.41	6.28	6.60	0.00	20.71	87.12	93.40	100.00
...if there would be AWE indexing	0.00	25.48	63.54	6.38	4.61	0.00	25.48	89.02	95.39	100.00
Tax distribution in 2005/06	0.00	15.20	67.99	6.67	10.13	0.00	15.20	83.20	89.87	100.00
...if there would be no indexing	0.00	12.18	69.29	6.92	11.61	0.00	12.18	81.47	88.39	100.00
...if there would be CPI indexing	0.00	19.64	67.12	6.01	7.22	0.00	19.64	86.77	92.78	100.00
...if there would be AWE indexing	0.00	25.48	63.54	6.38	4.61	0.00	25.48	89.02	95.39	100.00

TABLE 36: DISTRIBUTION OF EMTRs BY CAPITAL CITY, NOT- CAPITAL CITY, AND ACT&NT (1999 – 2001)

Distribution of EMTRs by capital city, not capital city and ACT&NT in 1999/2000

	EMTR												
	0	0 - 10	10 - 20	20 - 30	30 - 40	40 - 50	50 - 60	60 - 70	70 - 80	80 - 90	90 - 100	100 - 110	Avg
ACT/NT	20	-	3	4	26	36	1	2	2	2	1	1	35.94
Capital City	32	-	3	5	22	26	1	3	4	2	1	2	33.69
Other	36	0	3	5	21	19	1	4	4	3	1	2	30.4
Total	33	0	3	5	22	24	1	3	4	2	1	2	32.62

Distribution of EMTRs by capital city, not capital city and ACT&NT in 2000/01 (identical under the different scenarios)

	EMTR												
	0	0 - 10	10 - 20	20 - 30	30 - 40	40 - 50	50 - 60	60 - 70	70 - 80	80 - 90	90 - 100	100 - 110	Avg
ACT/NT	21	-	6	0	37	24	3	4	2	1	0	1	32.83
Capital City	32	0	6	1	32	16	3	4	4	2	0	2	30.25
Other	37	0	6	1	28	11	4	6	3	2	0	2	29.32
Total	33	0	6	1	31	15	3	5	3	2	0	2	30

TABLE 37: DISTRIBUTION OF EMTRs BY CAPITAL CITY, NOT- CAPITAL CITY, AND ACT&NT UNDER DIFFERENT SCENARIOS (2001/02)

Distribution of EMTRs by capital city, not capital city and ACT&NT in 2001/02

	EMTR												
	0	0 - 10	10 - 20	20 - 30	30 - 40	40 - 50	50 - 60	60 - 70	70 - 80	80 - 90	90 - 100	100 - 110	Avg
ACT/NT	21	-	5	1	35	26	3	4	3	1	-	1	33.3
Capital City	32	0	5	1	30	18	2	5	4	1	0	2	30.2
Other	36	0	6	1	27	13	3	6	4	2	0	2	28.23
Total	33	0	6	1	29	17	3	5	4	2	0	2	29.6

Distribution of EMTRs by capital city, not capital city and ACT&NT in 2001/02 in absence of indexing

	EMTR												
	0	0 - 10	10 - 20	20 - 30	30 - 40	40 - 50	50 - 60	60 - 70	70 - 80	80 - 90	90 - 100	100 - 110	Avg
ACT/NT	21	-	5	1	35	26	3	4	3	1	-	1	33.3
Capital City	32	0	5	1	30	18	2	5	4	1	0	2	30.2
Other	36	0	6	1	27	13	3	6	4	2	0	2	28.23
Total	33	0	6	1	29	17	3	5	4	2	0	2	29.6

Distribution of EMTRs by capital city, not capital city and ACT&NT in 2001/02 under CPI indexing

	EMTR												
	0	0 - 10	10 - 20	20 - 30	30 - 40	40 - 50	50 - 60	60 - 70	70 - 80	80 - 90	90 - 100	100 - 110	Avg
ACT/NT	21	-	5	1	36	24	3	4	3	1	-	1	33.03
Capital City	32	0	6	1	31	17	2	5	3	1	0	2	29.94
Other	36	0	6	1	27	12	3	7	4	1	0	2	27.97
Total	33	0	6	1	30	15	3	5	4	1	0	2	29.35

Distribution of EMTRs by capital city, not capital city and ACT&NT in 2001/02 under AWE indexing

	EMTR												
	0	0 - 10	10 - 20	20 - 30	30 - 40	40 - 50	50 - 60	60 - 70	70 - 80	80 - 90	90 - 100	100 - 110	Avg
ACT/NT	21	-	5	1	37	24	3	4	3	1	-	1	32.98
Capital City	32	0	5	1	31	17	2	5	3	1	0	2	29.88
Other	36	0	6	1	28	12	3	7	4	1	0	2	27.9
Total	33	0	6	1	30	15	3	5	4	1	0	2	29.28

TABLE 38: DISTRIBUTION OF EMTRs BY CAPITAL CITY, NOT- CAPITAL CITY, AND ACT&NT UNDER DIFFERENT SCENARIOS (2002/03)

Distribution of EMTRs by capital city, not capital city and ACT&NT in 2002/03

	EMTR												
	0	0 - 10	10 - 20	20 - 30	30 - 40	40 - 50	50 - 60	60 - 70	70 - 80	80 - 90	90 - 100	100 - 110	Avg
ACT/NT	20	-	4	1	34	28	2	5	3	2	0	1	33.96
Capital City	32	0	5	1	30	19	2	5	4	1	0	2	30.55
Other	36	0	5	1	26	14	3	7	3	2	0	2	29.5
Total	33	0	5	1	29	17	3	5	3	2	0	2	30.28

Distribution of EMTRs by capital city, not capital city and ACT&NT in 2002/03 in absence of indexing

	EMTR												
	0	0 - 10	10 - 20	20 - 30	30 - 40	40 - 50	50 - 60	60 - 70	70 - 80	80 - 90	90 - 100	100 - 110	Avg
ACT/NT	20	-	4	1	34	28	2	5	3	2	0	1	33.96
Capital City	32	0	5	1	30	19	2	5	4	1	0	2	30.55
Other	36	0	5	1	26	14	3	7	3	2	0	2	29.5
Total	33	0	5	1	29	17	3	5	3	2	0	2	30.28

Distribution of EMTRs by capital city, not capital city and ACT&NT in 2002/03 under CPI indexing

	EMTR												
	0	0 - 10	10 - 20	20 - 30	30 - 40	40 - 50	50 - 60	60 - 70	70 - 80	80 - 90	90 - 100	100 - 110	Avg
ACT/NT	21	-	5	1	36	25	3	4	3	2	-	1	33.19
Capital City	32	0	6	1	31	17	3	5	3	1	0	2	30.06
Other	36	0	6	1	27	13	3	7	3	2	0	2	29.05
Total	33	0	6	1	29	16	3	5	3	2	0	2	29.79

Distribution of EMTRs by capital city, not capital city and ACT&NT in 2002/03 under AWE indexing

	EMTR												
	0	0 - 10	10 - 20	20 - 30	30 - 40	40 - 50	50 - 60	60 - 70	70 - 80	80 - 90	90 - 100	100 - 110	Avg
ACT/NT	21	-	5	1	37	24	3	5	3	2	-	1	32.93
Capital City	32	0	6	1	31	16	3	5	3	1	0	2	29.89
Other	36	0	6	1	27	12	4	7	3	2	0	2	28.88
Total	33	0	6	1	30	15	3	5	3	2	0	2	29.62

TABLE 39: DISTRIBUTION OF EMTRs BY CAPITAL CITY, NOT- CAPITAL CITY, AND ACT&NT UNDER DIFFERENT SCENARIOS (2003/04)

Distribution of EMTRs by capital city, not capital city and ACT&NT in 2003/04

	EMTR												
	0	0 - 10	10 - 20	20 - 30	30 - 40	40 - 50	50 - 60	60 - 70	70 - 80	80 - 90	90 - 100	100 - 110	Avg
ACT/NT	20	-	5	0	34	28	3	4	3	2	-	1	33.87
Capital City	32	0	6	1	29	19	3	5	3	1	0	2	30.47
Other	36	0	6	1	26	14	4	7	3	2	0	2	28.8
Total	33	0	6	1	28	17	3	5	3	2	0	2	29.98

Distribution of EMTRs by capital city, not capital city and ACT&NT in 2003/04 in absence of indexing

	EMTR												
	0	0 - 10	10 - 20	20 - 30	30 - 40	40 - 50	50 - 60	60 - 70	70 - 80	80 - 90	90 - 100	100 - 110	Avg
ACT/NT	20	-	4	1	33	30	3	4	3	2	-	1	34.41
Capital City	32	0	5	1	29	20	2	5	3	2	0	2	30.84
Other	36	0	5	1	26	14	3	7	3	2	0	2	29.18
Total	33	0	5	1	28	18	3	6	3	2	0	2	30.36

Distribution of EMTRs by capital city, not capital city and ACT&NT in 2003/04 under CPI indexing

	EMTR												
	0	0 - 10	10 - 20	20 - 30	30 - 40	40 - 50	50 - 60	60 - 70	70 - 80	80 - 90	90 - 100	100 - 110	Avg
ACT/NT	21	0	5	1	36	25	3	4	3	1	-	1	33.24
Capital City	32	0	5	1	30	18	3	5	3	1	0	2	30.14
Other	36	0	6	1	27	13	4	7	3	2	0	2	28.48
Total	33	0	6	1	29	16	3	5	3	2	0	2	29.65

Distribution of EMTRs by capital city, not capital city and ACT&NT in 2003/04 under AWE indexing

	EMTR												
	0	0 - 10	10 - 20	20 - 30	30 - 40	40 - 50	50 - 60	60 - 70	70 - 80	80 - 90	90 - 100	100 - 110	Avg
ACT/NT	21	-	5	0	38	24	3	4	3	1	-	1	32.84
Capital City	32	0	6	1	31	16	3	5	3	1	0	2	29.76
Other	36	0	6	1	28	11	4	7	3	2	0	2	28.1
Total	33	0	6	1	30	15	3	5	3	1	0	2	29.27

TABLE 40: DISTRIBUTION OF EMTRs BY CAPITAL CITY, NOT- CAPITAL CITY, AND ACT&NT UNDER DIFFERENT SCENARIOS (2004/05)

Distribution of EMTRs by capital city, not capital city and ACT&NT in 2004/05

	EMTR												
	0	0 - 10	10 - 20	20 - 30	30 - 40	40 - 50	50 - 60	60 - 70	70 - 80	80 - 90	90 - 100	100 - 110	Avg
ACT/NT	20	0	5	1	33	30	3	4	3	1	-	1	34
Capital City	31	0	5	1	29	20	2	5	3	1	0	2	30.54
Other	36	0	6	1	26	15	3	7	4	2	0	2	29.11
Total	33	0	6	1	28	18	3	5	3	1	0	2	30.13

Distribution of EMTRs by capital city, not capital city and ACT&NT in 2004/05 in absence of indexing

	EMTR												
	0	0 - 10	10 - 20	20 - 30	30 - 40	40 - 50	50 - 60	60 - 70	70 - 80	80 - 90	90 - 100	100 - 110	Avg
ACT/NT	20	0	4	1	31	32	3	4	3	1	-	1	34.62
Capital City	31	0	5	1	27	22	2	5	3	1	0	2	30.97
Other	36	0	5	1	25	16	3	7	4	2	0	2	29.54
Total	33	0	5	1	27	20	2	6	4	1	0	2	30.57

Distribution of EMTRs by capital city, not capital city and ACT&NT in 2004/05 under CPI indexing

	EMTR												
	0	0 - 10	10 - 20	20 - 30	30 - 40	40 - 50	50 - 60	60 - 70	70 - 80	80 - 90	90 - 100	100 - 110	Avg
ACT/NT	21	0	5	1	36	26	3	4	3	1	-	1	33.06
Capital City	32	0	6	1	30	18	3	5	3	1	0	2	30.01
Other	36	0	6	1	26	13	3	7	3	2	0	2	28.62
Total	33	0	6	1	29	17	3	5	3	1	0	2	29.61

Distribution of EMTRs by capital city, not capital city and ACT&NT in 2004/05 under AWE indexing

	EMTR												
	0	0 - 10	10 - 20	20 - 30	30 - 40	40 - 50	50 - 60	60 - 70	70 - 80	80 - 90	90 - 100	100 - 110	Avg
ACT/NT	21	0	6	1	37	24	4	4	3	1	-	1	32.51
Capital City	32	-	6	1	31	16	3	5	3	1	0	2	29.52
Other	36	-	6	1	28	12	4	7	3	2	0	2	28.14
Total	33	0	6	1	30	15	3	5	3	1	0	2	29.12

TABLE 41: DISTRIBUTION OF EMTRs BY CAPITAL CITY, NOT- CAPITAL CITY, AND ACT&NT UNDER DIFFERENT SCENARIOS (2005/06)

Distribution of EMTRs by capital city, not capital city and ACT&NT in 2005/06

	EMTR												
	0	0 - 10	10 - 20	20 - 30	30 - 40	40 - 50	50 - 60	60 - 70	70 - 80	80 - 90	90 - 100	100 - 110	Avg
ACT/NT	20	0	5	1	30	32	3	4	3	1	-	1	35.08
Capital City	31	0	5	1	27	22	2	5	3	1	0	2	32.13
Other	35	0	5	1	25	16	3	7	4	2	-	2	29.81
Total	32	0	5	1	26	20	3	6	3	1	0	2	31.41

Distribution of EMTRs by capital city, not capital city and ACT&NT in 2005/06 in absence of indexing

	EMTR												
	0	0 - 10	10 - 20	20 - 30	30 - 40	40 - 50	50 - 60	60 - 70	70 - 80	80 - 90	90 - 100	100 - 110	Avg
ACT/NT	20	0	4	1	29	34	3	4	4	1	0	1	35.57
Capital City	31	0	5	1	26	23	2	5	3	1	0	2	32.53
Other	35	0	5	1	24	17	3	7	4	2	-	2	30.21
Total	32	0	5	1	26	22	2	6	4	1	0	2	31.81

Distribution of EMTRs by capital city, not capital city and ACT&NT in 2005/06 under CPI indexing

	EMTR												
	0	0 - 10	10 - 20	20 - 30	30 - 40	40 - 50	50 - 60	60 - 70	70 - 80	80 - 90	90 - 100	100 - 110	Avg
ACT/NT	20	-	5	1	34	27	3	4	3	1	-	1	33.95
Capital City	31	-	6	1	30	19	3	5	3	1	0	2	31.31
Other	36	0	6	1	26	14	3	7	4	1	0	2	29.06
Total	33	0	6	1	29	17	3	6	3	1	0	2	30.61

Distribution of EMTRs by capital city, not capital city and ACT&NT in 2005/06 under AWE indexing

	EMTR												
	0	0 - 10	10 - 20	20 - 30	30 - 40	40 - 50	50 - 60	60 - 70	70 - 80	80 - 90	90 - 100	100 - 110	Avg
ACT/NT	21	-	6	1	37	24	4	4	3	1	-	1	33.11
Capital City	32	-	6	1	32	16	3	4	3	1	0	2	30.7
Other	36	0	6	1	28	12	4	7	3	1	0	2	28.48
Total	33	0	6	1	30	15	3	5	3	1	0	2	30

TABLE 42: DISTRIBUTION OF EMTRs BY INCOME DECILES (1999 – 2001)

Distribution of EMTRs by income deciles in 1999/2000

	EMTR												
	0	0 - 10	10 - 20	20 - 30	30 - 40	40 - 50	50 - 60	60 - 70	70 - 80	80 - 90	90 - 100	100 - 110	Avg
Income Decile													
……0 - 10	88	0	6	-	-	1	1	0	2	-	-	3	6.39
….10 - 20	76	-	12	-	-	0	2	1	1	-	0	8	13.1
….20 - 30	52	-	5	9	3	4	1	6	11	5	4	1	27.69
….30 - 40	62	-	1	20	2	0	-	9	1	-	1	3	16.26
….40 - 50	30	-	2	1	50	5	1	4	5	1	1	0	31.35
….50 - 60	8	-	1	3	54	3	2	13	10	3	1	1	44.05
….60 - 70	5	-	1	4	32	29	1	4	9	10	0	3	52.67
….70 - 80	2	-	2	5	28	54	0	1	1	6	1	1	44.69
….80 - 90	1	-	1	3	38	57	-	0	-	0	-	0	42.12
….90 - 100	0	-	0	1	10	88	-	-	-	-	-	0	50.61
Total	32.43	0.01	3.04	4.75	21.62	24.01	0.78	3.82	3.96	2.51	0.83	2.25	32.89

Distribution of EMTRs by income deciles in 2000/01 (identical under the different scenarios)

	EMTR												
	0	0 - 10	10 - 20	20 - 30	30 - 40	40 - 50	50 - 60	60 - 70	70 - 80	80 - 90	90 - 100	100 - 110	Avg
Income Decile													
……0 - 10	89	0	4	0	-	1	0	0	2	-	-	3	6.21
….10 - 20	76	-	12	-	0	0	1	1	1	0	-	8	12.61
….20 - 30	50	-	15	0	7	0	6	1	9	9	0	1	25.75
….30 - 40	62	-	10	0	14	0	7	1	0	1	-	3	16.32
….40 - 50	31	0	1	1	51	1	4	7	4	1	1	0	28.34
….50 - 60	9	-	3	1	58	2	8	8	8	2	0	1	39.25
….60 - 70	5	-	2	3	52	3	5	18	6	3	-	2	42.9
….70 - 80	2	-	3	1	42	34	2	14	1	1	-	0	42.92
….80 - 90	1	-	2	0	54	38	0	2	2	-	-	-	38.37
….90 - 100	0	-	1	0	25	69	-	2	2	-	-	0	48.74
Total	33	0	5	1	30	15	3	5	3	2	0	2	30.13

TABLE 43: DISTRIBUTION OF EMTRs BY INCOME DECILES: ACTUAL AND NO INDEXING (2001/02)

Distribution of EMTRs by income deciles in 2001/02

	EMTR												
	0	0 - 10	10 - 20	20 - 30	30 - 40	40 - 50	50 - 60	60 - 70	70 – 80	80 - 90	90 - 100	100 - 110	Avg
Income Decile													
……0 - 10	88	0	5	-	0	1	0	0	2	-	-	3	6.4
….10 - 20	75	-	12	-	0	-	2	1	2	0	-	9	13.72
….20 - 30	50	0	16	0	4	3	6	1	10	9	0	1	25.6
….30 - 40	61	-	6	1	19	0	6	3	0	1	-	3	17.01
….40 - 50	34	-	1	1	49	0	3	7	3	2	0	-	26.81
….50 - 60	10	-	3	1	57	3	8	8	7	2	0	1	38.9
….60 - 70	5	-	2	2	53	5	4	18	7	2	0	2	43.08
….70 - 80	2	-	2	1	34	42	2	15	1	1	-	0	42.66
….80 - 90	1	0	2	0	52	41	0	2	2	-	-	-	39.07
….90 - 100	0	-	1	0	20	73	-	2	3	-	-	0	47.49
Total	33	0	5	1	29	17	3	6	4	2	0	2	30.07

Distribution of EMTRs by income deciles in 2001/02 in absense of indexing

	EMTR												
	0	0 - 10	10 - 20	20 - 30	30 - 40	40 - 50	50 - 60	60 - 70	70 – 80	80 - 90	90 - 100	100 - 110	Avg
Income Decile													
……0 - 10	88	0	5	-	0	1	0	0	2	-	-	3	6.4
….10 - 20	75	-	12	-	0	-	2	1	2	0	-	9	13.72
….20 - 30	50	0	16	0	4	3	6	1	10	9	0	1	25.6
….30 - 40	61	-	6	1	19	0	6	3	0	1	-	3	17.01
….40 - 50	34	-	1	1	49	0	3	7	3	2	0	-	26.81
….50 - 60	10	-	3	1	57	3	8	8	7	2	0	1	38.9
….60 - 70	5	-	2	2	53	5	4	18	7	2	0	2	43.08
….70 - 80	2	-	2	1	34	42	2	15	1	1	-	0	42.66
….80 - 90	1	0	2	0	52	41	0	2	2	-	-	-	39.07
….90 - 100	0	-	1	0	20	73	-	2	3	-	-	0	47.49
Total	33	0	5	1	29	17	3	6	4	2	0	2	30.07

TABLE 44: DISTRIBUTION OF EMTRs BY INCOME DECILES: CPI AND AWE INDEXING (2001/02)

Distribution of EMTRs by income deciles in 2001/02 under CPI indexing

	EMTR												
	0	0 - 10	10 - 20	20 - 30	30 - 40	40 - 50	50 - 60	60 - 70	70 - 80	80 - 90	90 - 100	100 - 110	Avg
Income Decile													
……0 - 10	88	-	5	-	0	1	0	1	1	-	-	3	6.38
….10 - 20	75	-	13	-	0	0	2	1	2	0	-	9	13.61
….20 - 30	50	0	16	0	4	3	6	1	11	8	0	1	25.49
….30 - 40	61	-	7	2	17	0	6	3	0	1	-	3	16.56
….40 - 50	33	-	1	1	49	0	3	7	3	2	0	-	26.94
….50 - 60	10	-	3	1	57	3	8	9	7	2	0	1	38.85
….60 - 70	5	-	2	2	53	5	4	18	7	2	0	2	43.05
….70 - 80	2	-	2	1	40	35	2	15	0	1	-	0	41.58
….80 - 90	1	0	2	1	54	38	0	2	2	-	-	-	38.66
….90 - 100	0	-	1	0	23	71	-	2	3	-	-	0	46.98
Total	33	0	5	1	30	16	3	6	4	2	0	2	29.81

Distribution of EMTRs by income deciles in 2001/02 under AWE indexing

	EMTR												
	0	0 - 10	10 - 20	20 - 30	30 - 40	40 - 50	50 - 60	60 - 70	70 - 80	80 - 90	90 - 100	100 - 110	Avg
Income Decile													
……0 - 10	89	0	5	-	0	1	0	1	1	-	-	3	6.33
….10 - 20	75	-	13	-	0	0	2	1	2	0	-	9	13.61
….20 - 30	50	0	16	0	4	3	6	1	11	8	0	1	25.48
….30 - 40	61	-	7	3	16	0	6	3	0	1	-	3	16.43
….40 - 50	33	-	1	1	49	0	3	7	3	2	0	-	27
….50 - 60	10	-	3	1	56	3	8	9	8	2	0	1	38.87
….60 - 70	5	-	2	2	53	5	4	18	7	2	0	2	42.94
….70 - 80	2	-	2	1	42	33	2	15	0	1	-	0	41.37
….80 - 90	1	0	2	1	54	38	0	2	2	-	-	-	38.6
….90 - 100	0	-	1	0	24	70	-	2	3	-	-	0	46.79
Total	33	0	5	1	30	15	3	6	4	2	0	2	29.74

TABLE 45: DISTRIBUTION OF EMTRs BY INCOME DECILES: ACTUAL AND NO INDEXING (2002/03)

Distribution of EMTRs by income deciles in 2002/03

	EMTR												
	0	0 - 10	10 - 20	20 - 30	30 - 40	40 - 50	50 - 60	60 - 70	70 - 80	80 - 90	90 - 100	100 - 110	Avg
Income Decile													
……0 - 10	87	0	6	-	0	1	0	-	2	-	-	3	6.77
….10 - 20	74	-	13	-	0	0	1	1	2	0	-	9	14.12
….20 - 30	51	0	16	0	6	1	5	1	7	10	1	1	24.73
….30 - 40	61	-	2	1	24	0	5	4	0	0	0	3	17.03
….40 - 50	34	0	1	1	48	1	3	7	3	2	0	-	27.56
….50 - 60	10	-	2	1	56	2	8	11	7	2	0	1	39.84
….60 - 70	4	0	2	3	50	7	4	19	7	2	0	2	43.3
….70 - 80	2	-	2	1	31	45	2	14	1	2	-	0	43.34
….80 - 90	1	0	2	0	50	42	0	2	2	-	-	-	39.78
….90 - 100	0	-	1	0	18	76	-	2	3	-	-	0	49.73
Total	32	0	5	1	28	18	3	6	3	2	0	2	30.62

Distribution of EMTRs by income deciles in 2002/03 in absense of indexing

	EMTR												
	0	0 - 10	10 - 20	20 - 30	30 - 40	40 - 50	50 - 60	60 - 70	70 - 80	80 - 90	90 - 100	100 - 110	Avg
Income Decile													
……0 - 10	87	0	6	-	0	1	0	-	2	-	-	3	6.77
….10 - 20	74	-	13	-	0	0	1	1	2	0	-	9	14.12
….20 - 30	51	0	16	0	6	1	5	1	7	10	1	1	24.73
….30 - 40	61	-	2	1	24	0	5	4	0	0	0	3	17.03
….40 - 50	34	0	1	1	48	1	3	7	3	2	0	-	27.56
….50 - 60	10	-	2	1	56	2	8	11	7	2	0	1	39.84
….60 - 70	4	0	2	3	50	7	4	19	7	2	0	2	43.3
….70 - 80	2	-	2	1	31	45	2	14	1	2	-	0	43.34
….80 - 90	1	0	2	0	50	42	0	2	2	-	-	-	39.78
….90 - 100	0	-	1	0	18	76	-	2	3	-	-	0	49.73
Total	32	0	5	1	28	18	3	6	3	2	0	2	30.62

TABLE 46: DISTRIBUTION OF EMTRs BY INCOME DECILES: CPI AND AWE INDEXING (2002/03)

Distribution of EMTRs by income deciles in 2002/03 under CPI indexing

	EMTR												
	0	0 - 10	10 - 20	20 - 30	30 - 40	40 - 50	50 - 60	60 - 70	70 - 80	80 - 90	90 - 100	100 - 110	Avg
Income Decile													
……0 - 10	88	0	5	-	0	1	0	1	1	-	-	3	6.51
….10 - 20	74	-	13	-	0	0	1	1	2	0	-	9	13.85
….20 - 30	51	0	16	0	6	1	5	1	8	10	0	1	24.91
….30 - 40	62	-	9	0	17	0	6	3	0	0	-	3	15.6
….40 - 50	33	0	1	1	49	1	3	7	4	2	0	-	27.83
….50 - 60	10	-	2	1	57	2	8	11	6	2	0	1	39.74
….60 - 70	4	0	2	3	54	4	4	18	7	2	0	2	42.71
….70 - 80	2	-	3	1	37	38	3	14	0	2	-	0	42.06
….80 - 90	1	0	2	0	52	40	0	2	2	-	-	-	39.05
….90 - 100	0	-	1	0	22	72	-	2	3	-	-	0	48.98
Total	33	0	5	1	29	16	3	6	3	2	0	2	30.12

Distribution of EMTRs by income deciles in 2002/03 under AWE indexing

	EMTR												
	0	0 - 10	10 - 20	20 - 30	30 - 40	40 - 50	50 - 60	60 - 70	70 - 80	80 - 90	90 - 100	100 - 110	Avg
Income Decile													
……0 - 10	89	-	4	-	0	1	0	1	1	-	-	3	6.43
….10 - 20	74	-	13	-	0	0	1	1	2	0	-	9	13.85
….20 - 30	51	0	16	0	6	1	5	1	8	10	0	1	24.77
….30 - 40	63	-	10	0	15	0	7	2	0	0	-	3	15.27
….40 - 50	33	0	1	1	49	1	4	7	4	1	0	-	28.08
….50 - 60	10	-	2	1	57	2	9	10	7	2	0	1	39.52
….60 - 70	4	0	2	3	54	4	4	18	7	2	0	2	42.76
….70 - 80	2	-	3	1	41	34	3	14	0	2	-	0	41.32
….80 - 90	1	0	2	0	54	38	0	2	2	-	-	-	38.72
….90 - 100	0	-	1	0	23	71	-	2	3	-	-	0	48.71
Total	33	0	5	1	30	15	3	6	3	2	0	2	29.94

TABLE 47: DISTRIBUTION OF EMTRs BY INCOME DECILES: ACTUAL AND NO INDEXING (2003/04)

Distribution of EMTRs by income deciles in 2003/04

	EMTR												
	0	0 - 10	10 - 20	20 - 30	30 - 40	40 - 50	50 - 60	60 - 70	70 - 80	80 - 90	90 - 100	100 - 110	Avg
Income Decile													
……0 - 10	86	-	7	-	-	1	1	-	2	-	-	3	6.98
….10 - 20	74	-	12	-	0	-	2	1	2	-	-	9	14.38
….20 - 30	51	0	17	1	4	2	6	1	6	11	1	1	24.56
….30 - 40	62	-	7	1	18	0	6	3	-	0	-	3	15.66
….40 - 50	33	0	1	2	48	0	3	8	4	2	-	-	28.53
….50 - 60	10	0	3	1	56	2	9	10	6	2	0	1	39.06
….60 - 70	4	0	2	1	52	6	5	19	7	1	0	2	44.76
….70 - 80	2	-	3	1	31	45	2	14	1	1	-	0	43.16
….80 - 90	1	0	2	0	50	42	0	2	3	-	-	-	39.81
….90 - 100	0	-	1	0	18	77	-	2	3	-	-	0	47.61
Total	32	0	5	1	28	17	3	6	3	2	0	2	30.44

Distribution of EMTRs by income deciles in 2003/04 in absense of indexing

	EMTR												
	0	0 - 10	10 - 20	20 - 30	30 - 40	40 - 50	50 - 60	60 - 70	70 - 80	80 - 90	90 - 100	100 - 110	Avg
Income Decile													
……0 - 10	86	-	7	-	-	1	1	-	2	-	-	3	6.98
….10 - 20	74	-	12	-	0	-	2	1	2	-	-	9	14.38
….20 - 30	51	0	16	1	5	2	6	1	6	11	1	1	24.64
….30 - 40	62	-	1	1	24	0	4	5	-	0	-	3	16.86
….40 - 50	33	0	1	1	48	0	2	8	3	2	-	-	28.19
….50 - 60	10	0	2	1	56	2	8	11	6	2	0	1	39.41
….60 - 70	4	0	2	1	48	11	4	19	7	1	0	2	45.55
….70 - 80	2	-	2	1	30	47	2	14	1	1	-	0	44
….80 - 90	1	0	1	0	49	43	0	2	3	-	-	-	40.36
….90 - 100	0	-	1	0	17	78	-	2	3	-	-	0	47.96
Total	32	0	5	1	28	18	3	6	3	2	0	2	30.83

TABLE 48: DISTRIBUTION OF EMTRs BY INCOME DECILES: CPI AND AWE INDEXING (2003/04)

Distribution of EMTRs by income deciles in 2003/04 under CPI indexing

	EMTR												
	0	0 - 10	10 - 20	20 - 30	30 - 40	40 - 50	50 - 60	60 - 70	70 - 80	80 - 90	90 - 100	100 - 110	Avg
Income Decile													
……0 - 10	88	-	5	-	-	1	0	1	1	-	-	3	6.58
….10 - 20	74	-	12	-	0	-	2	1	2	-	-	9	14.29
….20 - 30	51	0	17	1	4	2	6	1	7	10	0	1	24.36
….30 - 40	63	-	7	1	17	0	6	3	0	0	-	3	15.42
….40 - 50	33	0	1	1	48	0	3	7	4	2	-	-	28.52
….50 - 60	10	0	3	1	57	2	9	10	6	1	0	1	39.02
….60 - 70	4	0	2	1	55	3	5	19	7	1	0	2	44.31
….70 - 80	2	0	3	1	36	40	2	14	1	1	-	0	42.18
….80 - 90	1	0	2	0	51	41	0	2	3	-	-	-	39.41
….90 - 100	0	-	1	0	20	74	-	2	2	-	-	0	47.03
Total	33	0	5	1	29	16	3	6	3	2	0	2	30.11

Distribution of EMTRs by income deciles in 2003/04 under AWE indexing

	EMTR												
	0	0 - 10	10 - 20	20 - 30	30 - 40	40 - 50	50 - 60	60 - 70	70 - 80	80 - 90	90 - 100	100 - 110	Avg
Income Decile													
……0 - 10	89	-	4	-	-	1	0	1	1	-	-	3	6.4
….10 - 20	74	-	12	-	0	-	2	1	2	0	-	9	14.36
….20 - 30	51	0	17	1	4	2	6	1	7	10	-	1	24.22
….30 - 40	64	-	12	0	12	0	7	2	0	0	-	3	14.51
….40 - 50	31	0	1	1	49	1	3	7	5	1	-	-	28.88
….50 - 60	10	0	3	1	56	2	10	9	6	1	0	1	38.82
….60 - 70	4	0	3	1	55	3	5	18	6	1	0	2	44.18
….70 - 80	2	-	3	1	45	32	2	14	0	1	-	0	40.76
….80 - 90	1	0	2	0	54	37	0	2	2	-	-	-	38.73
….90 - 100	0	-	1	0	24	71	-	3	2	-	-	0	46.34
Total	33	0	6	1	30	15	4	6	3	1	0	2	29.72

TABLE 49: DISTRIBUTION OF EMTRs BY INCOME DECILES: ACTUAL AND NO INDEXING (2004/05)

Distribution of EMTRs by income deciles in 2004/05

	EMTR												
	0	0 - 10	10 - 20	20 - 30	30 - 40	40 - 50	50 - 60	60 - 70	70 - 80	80 - 90	90 - 100	100 - 110	Avg
Income Decile													
……0 - 10	85	0	7	-	-	1	1	0	2	-	-	3	7.13
….10 - 20	73	0	12	0	0	0	2	1	2	0	-	9	15.06
….20 - 30	51	-	19	0	3	3	5	1	7	9	1	1	24.04
….30 - 40	62	-	4	0	22	0	5	4	0	0	-	3	16.29
….40 - 50	33	-	1	1	47	1	3	8	4	2	-	-	28.47
….50 - 60	10	-	3	1	57	2	8	10	6	2	-	1	39.69
….60 - 70	4	-	2	1	50	11	4	19	7	1	0	1	42.98
….70 - 80	2	-	2	1	30	47	2	14	1	0	-	0	43.14
….80 - 90	1	-	2	0	49	43	0	2	3	-	-	-	40.23
….90 - 100	0	-	1	0	17	77	0	2	2	-	-	0	48.13
Total	32	0	5	1	27	19	3	6	3	1	0	2	30.51

Distribution of EMTRs by income deciles in 2004/05 in absense of indexing

	EMTR												
	0	0 - 10	10 - 20	20 - 30	30 - 40	40 - 50	50 - 60	60 - 70	70 - 80	80 - 90	90 - 100	100 - 110	Avg
Income Decile													
……0 - 10	85	0	7	-	-	1	1	0	2	-	-	3	7.13
….10 - 20	73	0	12	0	0	0	2	1	2	0	-	9	15.06
….20 - 30	50	-	16	1	7	3	5	1	7	9	1	1	24.54
….30 - 40	62	-	1	1	24	0	3	6	0	0	-	3	16.86
….40 - 50	33	-	1	1	48	1	3	8	4	2	0	-	28.11
….50 - 60	10	-	3	1	56	2	7	11	6	2	-	1	40.11
….60 - 70	4	-	1	1	42	19	3	20	7	1	0	1	44.12
….70 - 80	2	-	2	1	28	48	2	14	2	0	-	0	43.96
….80 - 90	1	-	1	0	45	48	0	2	3	-	-	-	41
….90 - 100	0	-	1	0	14	80	0	2	3	-	-	0	48.7
Total	32	0	5	1	26	20	3	6	4	1	0	2	30.95

TABLE 50: DISTRIBUTION OF EMTRs BY INCOME DECILES: CPI AND AWE INDEXING (2004/05)

Distribution of EMTRs by income deciles in 2004/05 under CPI indexing

	EMTR												
	0	0 - 10	10 - 20	20 - 30	30 - 40	40 - 50	50 - 60	60 - 70	70 - 80	80 - 90	90 - 100	100 - 110	Avg
Income Decile													
……0 - 10	88	1	5	-	-	1	0	1	2	-	-	3	6.67
….10 - 20	73	0	12	0	0	0	2	1	2	0	-	9	14.98
….20 - 30	50	-	19	0	4	3	5	1	8	8	0	1	24
….30 - 40	63	-	7	1	18	0	6	3	0	0	-	3	15.48
….40 - 50	32	-	1	1	47	1	4	7	4	2	-	-	28.59
….50 - 60	10	-	3	1	57	3	8	10	6	1	0	1	39.57
….60 - 70	4	-	2	2	56	4	4	19	7	1	0	1	42.05
….70 - 80	2	-	3	1	35	42	2	14	0	0	-	0	41.71
….80 - 90	1	-	2	0	51	41	0	2	3	-	-	-	39.53
….90 - 100	0	-	1	0	19	75	0	2	2	-	-	0	47.4
Total	32	0	5	1	29	17	3	6	3	1	0	2	29.99

Distribution of EMTRs by income deciles in 2004/05 under AWE indexing

	EMTR												
	0	0 - 10	10 - 20	20 - 30	30 - 40	40 - 50	50 - 60	60 - 70	70 - 80	80 - 90	90 - 100	100 - 110	Avg
Income Decile													
……0 - 10	89	-	4	-	-	1	0	1	1	-	-	3	6.38
….10 - 20	73	0	11	0	0	0	2	1	2	0	-	9	14.9
….20 - 30	50	-	19	0	4	3	5	1	9	8	0	1	23.96
….30 - 40	64	-	12	0	12	0	7	1	0	0	-	3	14.17
….40 - 50	31	-	1	1	49	1	4	7	5	2	-	-	29.14
….50 - 60	10	-	3	1	56	2	10	9	6	1	0	1	39.1
….60 - 70	4	-	2	2	56	5	5	18	6	1	0	1	41.86
….70 - 80	2	-	3	1	46	32	2	14	0	0	-	0	40.07
….80 - 90	1	-	2	0	54	38	0	2	3	-	-	-	38.74
….90 - 100	0	-	1	0	23	70	0	3	2	-	-	0	46.56
Total	33	0	6	1	30	15	4	6	3	1	0	2	29.49

TABLE 51: DISTRIBUTION OF EMTRs BY INCOME DECILES: ACTUAL AND NO INDEXING (2005/06)

Distribution of EMTRs by income deciles in 2005/06

	EMTR												
	0	0 - 10	10 - 20	20 - 30	30 - 40	40 - 50	50 - 60	60 - 70	70 - 80	80 - 90	90 - 100	100 - 110	Avg
Income Decile													
……0 - 10	84	0	8	0	0	1	1	-	2	-	-	3	7.26
….10 - 20	73	-	12	-	0	0	3	1	2	1	-	9	15.55
….20 - 30	49	0	20	1	3	4	5	1	8	8	0	1	24.04
….30 - 40	62	-	1	1	24	0	4	5	0	0	-	2	16.62
….40 - 50	33	-	1	1	47	1	3	7	4	3	0	0	28.82
….50 - 60	10	-	3	1	56	3	7	11	6	2	-	1	38.43
….60 - 70	4	-	2	2	43	17	4	20	6	1	-	1	46.33
….70 - 80	2	-	2	1	28	49	3	14	1	0	-	0	43.93
….80 - 90	1	-	2	0	45	47	0	1	3	-	-	0	45.7
….90 - 100	0	-	1	0	14	80	-	2	3	-	-	0	50.33
Total	32	0	5	1	26	20	3	6	3	1	0	2	31.7

Distribution of EMTRs by income deciles in 2005/06 in absense of indexing

	EMTR												
	0	0 - 10	10 - 20	20 - 30	30 - 40	40 - 50	50 - 60	60 - 70	70 - 80	80 - 90	90 - 100	100 - 110	Avg
Income Decile													
……0 - 10	84	0	8	0	0	1	1	-	2	-	-	3	7.26
….10 - 20	73	-	12	-	0	0	3	1	2	1	-	9	15.55
….20 - 30	49	0	14	1	10	4	4	1	8	8	0	2	24.82
….30 - 40	61	-	1	1	24	0	2	7	0	0	-	2	17.16
….40 - 50	34	-	1	1	47	1	3	7	4	3	0	0	28.4
….50 - 60	10	-	3	1	56	3	6	12	6	2	0	1	38.65
….60 - 70	4	-	1	2	36	25	3	21	6	1	-	1	47.49
….70 - 80	2	-	2	1	27	50	3	13	2	0	-	0	44.59
….80 - 90	1	-	1	0	42	50	0	1	4	-	-	0	46.35
….90 - 100	0	-	0	0	12	83	-	2	3	-	-	0	50.76
Total	32	0	4	1	25	22	3	6	4	1	0	2	32.1

TABLE 52: DISTRIBUTION OF EMTRs BY INCOME DECILES: CPI AND AWE INDEXING (2005/06)

Distribution of EMTRs by income deciles in 2005/06 under CPI indexing

	EMTR												
	0	0 - 10	10 - 20	20 - 30	30 - 40	40 - 50	50 - 60	60 - 70	70 - 80	80 - 90	90 - 100	100 - 110	Avg
Income Decile													
……0 - 10	87	-	5	-	0	1	0	1	1	-	-	3	6.74
….10 - 20	72	-	12	-	0	0	3	1	2	1	-	9	15.55
….20 - 30	49	0	20	1	4	4	4	1	8	7	0	2	23.89
….30 - 40	63	-	5	0	19	0	5	4	0	0	-	2	15.38
….40 - 50	31	-	1	1	48	1	4	6	5	2	0	0	29.1
….50 - 60	10	-	3	1	56	3	8	10	6	1	0	1	38.23
….60 - 70	4	-	2	2	57	3	5	20	6	1	-	1	44.54
….70 - 80	2	-	3	1	33	45	2	13	0	0	-	0	41.97
….80 - 90	1	-	2	0	50	41	0	2	3	-	-	0	44.54
….90 - 100	0	-	1	0	19	75	-	2	2	-	-	0	49.25
Total	32	0	5	1	29	17	3	6	3	1	0	2	30.92

Distribution of EMTRs by income deciles in 2005/06 under AWE indexing

	EMTR												
	0	0 - 10	10 - 20	20 - 30	30 - 40	40 - 50	50 - 60	60 - 70	70 - 80	80 - 90	90 - 100	100 - 110	Avg
Income Decile													
……0 - 10	90	-	3	-	0	1	0	1	1	-	-	3	6.36
….10 - 20	73	-	12	-	0	0	3	1	2	1	-	9	15.36
….20 - 30	48	0	20	1	4	4	4	1	9	6	0	4	25.38
….30 - 40	65	-	13	0	12	0	7	1	0	-	-	0	12.17
….40 - 50	31	-	1	1	48	1	4	7	5	1	0	0	29.49
….50 - 60	10	-	3	1	57	2	10	8	7	1	0	1	37.64
….60 - 70	4	-	2	2	57	3	5	19	6	1	-	1	44.52
….70 - 80	2	-	3	1	46	32	2	13	0	0	-	0	39.86
….80 - 90	1	-	2	0	54	38	0	2	3	-	-	0	43.72
….90 - 100	0	-	1	0	24	70	-	3	2	-	-	0	48.1
Total	32	0	6	1	30	15	4	6	3	1	0	2	30.29

TABLE 53: DISTRIBUTION OF EMTRs BY STATE (1999 – 2001)

Distribution of EMTRs by State in 1999/2000

	EMTR												
	0	0 - 10	10 - 20	20 - 30	30 - 40	40 - 50	50 - 60	60 - 70	70 - 80	80 - 90	90 - 100	100 - 110	Avg
State													
ACT&NT	20	-	3	4	26	36	1	2	2	2	1	1	35.94
NSW	35	-	3	4	20	25	1	3	4	2	1	2	31.32
Queensld	34	0	3	6	22	21	1	3	4	3	1	2	30.69
Sth_Aus	37	-	4	5	20	22	0	3	4	2	1	2	29.67
Tasmania	38	-	4	4	22	15	1	5	5	3	1	2	30.03
Victoria	31	-	3	4	22	25	1	4	4	2	1	3	36.43
West_Aus	30	-	4	7	24	23	1	3	4	2	1	2	33.09
Total	33	0	3	5	22	24	1	3	4	2	1	2	32.62

Distribution of EMTRs by State in 2000/01 (identical under the different scenarios)

	EMTR												
	0	0 - 10	10 - 20	20 - 30	30 - 40	40 - 50	50 - 60	60 - 70	70 - 80	80 - 90	90 - 100	100 - 110	Avg
State													
ACT&NT	21	-	6	0	37	24	3	4	2	1	0	1	32.83
NSW	35	-	5	1	29	16	3	5	3	1	0	2	29.76
Queensld	34	0	6	1	32	12	3	5	4	2	0	2	30.29
Sth_Aus	36	0	6	1	29	12	3	4	3	3	0	2	27.18
Tasmania	38	0	5	1	30	7	4	6	5	2	-	2	27.7
Victoria	31	-	5	1	31	16	4	5	3	2	0	2	30.9
West_Aus	30	-	8	0	31	15	3	5	4	1	-	2	30.04
Total	33	0	6	1	31	15	3	5	3	2	0	2	30

TABLE 54: DISTRIBUTION OF EMTRs BY STATE: ACTUAL AND NO INDEXING (2001/02)

Distribution of EMTRs by State in 2001/02

	EMTR												
	0	0 - 10	10 - 20	20 - 30	30 - 40	40 - 50	50 - 60	60 - 70	70 - 80	80 - 90	90 - 100	100 - 110	Avg
State													
ACT&NT	21	-	5	1	35	26	3	4	3	1	-	1	33.3
NSW	35	0	5	1	27	18	3	5	3	1	0	2	28.63
Queensld	34	-	7	1	30	14	2	6	4	2	0	2	28.8
Sth_Aus	37	0	6	1	28	14	3	5	3	2	0	2	27.42
Tasmania	38	0	4	0	30	9	3	6	4	3	-	2	28.31
Victoria	31	-	5	1	30	18	3	6	4	1	0	2	31.54
West_Aus	30	0	7	1	30	16	3	5	5	1	-	2	30.59
Total	33	0	6	1	29	17	3	5	4	2	0	2	29.6

Distribution of EMTRs by State in 2001/02 in absense of indexing

	EMTR												
	0	0 - 10	10 - 20	20 - 30	30 - 40	40 - 50	50 - 60	60 - 70	70 - 80	80 - 90	90 - 100	100 - 110	Avg
State													
ACT&NT	21	-	5	1	35	26	3	4	3	1	-	1	33.3
NSW	35	0	5	1	27	18	3	5	3	1	0	2	28.63
Queensld	34	-	7	1	30	14	2	6	4	2	0	2	28.8
Sth_Aus	37	0	6	1	28	14	3	5	3	2	0	2	27.42
Tasmania	38	0	4	0	30	9	3	6	4	3	-	2	28.31
Victoria	31	-	5	1	30	18	3	6	4	1	0	2	31.54
West_Aus	30	0	7	1	30	16	3	5	5	1	-	2	30.59
Total	33	0	6	1	29	17	3	5	4	2	0	2	29.6

TABLE 55: DISTRIBUTION OF EMTRs BY STATE: CPI AND AWE INDEXING (2001/02)

Distribution of EMTRs by State in 2001/02 under CPI indexing

	EMTR												
	0	0 - 10	10 - 20	20 - 30	30 - 40	40 - 50	50 - 60	60 - 70	70 - 80	80 - 90	90 - 100	100 - 110	Avg
State													
ACT&NT	21	-	5	1	36	24	3	4	3	1	-	1	33.03
NSW	35	0	5	1	28	17	3	5	3	1	0	2	28.4
Queensld	34	-	7	1	31	12	2	6	4	2	0	2	28.5
Sth_Aus	37	0	6	1	29	13	3	5	3	2	0	2	27.17
Tasmania	38	-	4	1	31	8	3	6	5	3	-	2	28.01
Victoria	31	-	5	1	31	17	3	6	3	1	0	2	31.27
West_Aus	30	0	7	1	31	15	3	5	5	1	-	2	30.35
Total	33	0	6	1	30	15	3	5	4	1	0	2	29.35

Distribution of EMTRs by State in 2001/02 under AWE indexing

	EMTR												
	0	0 - 10	10 - 20	20 - 30	30 - 40	40 - 50	50 - 60	60 - 70	70 - 80	80 - 90	90 - 100	100 - 110	Avg
State													
ACT&NT	21	-	5	1	37	24	3	4	3	1	-	1	32.98
NSW	35	0	5	1	28	16	3	5	3	1	0	2	28.35
Queensld	34	-	7	1	31	12	2	6	4	2	0	2	28.46
Sth_Aus	37	0	6	1	29	12	3	5	3	2	0	2	27.15
Tasmania	38	-	4	1	31	8	3	6	5	3	-	2	27.95
Victoria	31	-	5	1	31	17	3	6	4	1	0	2	31.2
West_Aus	30	0	7	1	31	15	3	5	5	1	-	2	30.2
Total	33	0	6	1	30	15	3	5	4	1	0	2	29.28

TABLE 56: DISTRIBUTION OF EMTRs BY STATE: ACTUAL AND NO INDEXING (2002/03)

Distribution of EMTRs by State in 2002/03

	EMTR												
	0	0 - 10	10 - 20	20 - 30	30 - 40	40 - 50	50 - 60	60 - 70	70 - 80	80 - 90	90 - 100	100 - 110	Avg
State													
ACT&NT	20	-	4	1	34	28	2	5	3	2	0	1	33.96
NSW	35	0	4	1	27	19	2	5	3	2	0	2	30.06
Queensld	34	0	6	1	30	14	2	6	3	2	0	2	29.14
Sth_Aus	36	0	6	1	28	14	3	5	3	3	-	2	27.76
Tasmania	37	0	5	1	27	10	3	7	4	3	-	2	28.56
Victoria	31	0	5	1	29	19	3	6	4	2	0	2	30.96
West_Aus	30	0	7	0	30	17	2	6	3	2	0	2	32.89
Total	33	0	5	1	29	17	3	5	3	2	0	2	30.28

Distribution of EMTRs by State in 2002/03 in absense of indexing

	EMTR												
	0	0 - 10	10 - 20	20 - 30	30 - 40	40 - 50	50 - 60	60 - 70	70 - 80	80 - 90	90 - 100	100 - 110	Avg
State													
ACT&NT	20	-	4	1	34	28	2	5	3	2	0	1	33.96
NSW	35	0	4	1	27	19	2	5	3	2	0	2	30.06
Queensld	34	0	6	1	30	14	2	6	3	2	0	2	29.14
Sth_Aus	36	0	6	1	28	14	3	5	3	3	-	2	27.76
Tasmania	37	0	5	1	27	10	3	7	4	3	-	2	28.56
Victoria	31	0	5	1	29	19	3	6	4	2	0	2	30.96
West_Aus	30	0	7	0	30	17	2	6	3	2	0	2	32.89
Total	33	0	5	1	29	17	3	5	3	2	0	2	30.28

TABLE 57: DISTRIBUTION OF EMTRs BY STATE: CPI AND AWE INDEXING (2002/03)

Distribution of EMTRs by State in 2002/03 under CPI indexing

	EMTR												
	0	0 - 10	10 - 20	20 - 30	30 - 40	40 - 50	50 - 60	60 - 70	70 - 80	80 - 90	90 - 100	100 - 110	Avg
State													
ACT&NT	21	-	5	1	36	25	3	4	3	2	-	1	33.19
NSW	35	0	5	1	28	17	3	5	3	1	0	2	29.63
Queensld	34	0	6	1	30	13	3	6	3	2	0	2	28.63
Sth_Aus	37	0	6	1	28	13	3	5	3	3	-	2	27.32
Tasmania	38	0	6	1	29	8	3	7	5	2	-	2	27.89
Victoria	31	-	5	0	30	17	3	6	4	1	0	2	30.46
West_Aus	30	0	7	0	31	16	3	5	3	2	-	2	32.44
Total	33	0	6	1	29	16	3	5	3	2	0	2	29.79

Distribution of EMTRs by State in 2002/03 under AWE indexing

	EMTR												
	0	0 - 10	10 - 20	20 - 30	30 - 40	40 - 50	50 - 60	60 - 70	70 - 80	80 - 90	90 - 100	100 - 110	Avg
State													
ACT&NT	21	-	5	1	37	24	3	5	3	2	-	1	32.93
NSW	35	0	5	1	28	16	3	5	3	1	0	2	29.47
Queensld	34	0	7	1	31	12	3	6	3	2	0	2	28.45
Sth_Aus	37	0	6	1	29	12	3	5	3	3	-	2	27.2
Tasmania	38	0	6	1	30	7	3	7	5	2	-	2	27.71
Victoria	31	-	5	0	31	16	3	5	4	1	0	2	30.26
West_Aus	30	0	8	0	31	15	3	5	4	1	-	2	32.26
Total	33	0	6	1	30	15	3	5	3	2	0	2	29.62

TABLE 58: DISTRIBUTION OF EMTRs BY STATE: ACTUAL AND NO INDEXING (2003/04)

Distribution of EMTRs by State in 2003/04

	EMTR												
	0	0 - 10	10 - 20	20 - 30	30 - 40	40 - 50	50 - 60	60 - 70	70 - 80	80 - 90	90 - 100	100 - 110	Avg
State													
ACT&NT	20	-	5	0	34	28	3	4	3	2	-	1	33.87
NSW	34	0	5	1	26	19	3	5	3	1	0	2	29.53
Queensld	34	-	7	1	29	14	3	6	3	2	0	2	29.11
Sth_Aus	36	0	6	1	27	14	3	5	3	2	-	2	28.52
Tasmania	37	0	6	0	27	10	4	7	4	2	0	2	28.35
Victoria	31	-	5	0	29	19	4	5	4	2	0	2	31.32
West_Aus	30	0	7	0	30	17	3	5	3	2	0	2	30.32
Total	33	0	6	1	28	17	3	5	3	2	0	2	29.98

Distribution of EMTRs by State in 2003/04 in absense of indexing

	EMTR												
	0	0 - 10	10 - 20	20 - 30	30 - 40	40 - 50	50 - 60	60 - 70	70 - 80	80 - 90	90 - 100	100 - 110	Avg
State													
ACT&NT	20	-	4	1	33	30	3	4	3	2	-	1	34.41
NSW	34	0	4	1	27	20	2	5	3	1	0	2	29.95
Queensld	34	-	5	1	30	14	3	6	3	2	0	2	29.51
Sth_Aus	36	0	6	1	26	15	3	5	3	2	-	2	28.89
Tasmania	37	0	5	0	27	11	3	7	4	2	0	2	28.63
Victoria	31	-	4	0	29	19	3	6	4	2	0	2	31.62
West_Aus	30	0	6	0	30	18	2	6	3	2	0	2	30.71
Total	33	0	5	1	28	18	3	6	3	2	0	2	30.36

TABLE 59: DISTRIBUTION OF EMTRs BY STATE: CPI AND AWE INDEXING (2003/04)

Distribution of EMTRs by State in 2003/04 under CPI indexing

	EMTR												
	0	0 - 10	10 - 20	20 - 30	30 - 40	40 - 50	50 - 60	60 - 70	70 - 80	80 - 90	90 - 100	100 - 110	Avg
State													
ACT&NT	21	0	5	1	36	25	3	4	3	1	-	1	33.24
NSW	35	0	5	1	27	18	3	5	3	1	0	2	29.26
Queensld	34	-	7	1	30	13	3	6	3	2	0	2	28.75
Sth_Aus	37	0	6	1	28	14	3	5	3	2	-	2	28.26
Tasmania	38	0	6	0	30	8	3	7	4	2	0	2	27.88
Victoria	31	-	5	1	30	17	4	6	3	1	0	2	30.91
West_Aus	30	0	7	1	31	16	3	5	3	1	0	2	30.11
Total	33	0	6	1	29	16	3	5	3	2	0	2	29.65

Distribution of EMTRs by State in 2003/04 under AWE indexing

	EMTR												
	0	0 - 10	10 - 20	20 - 30	30 - 40	40 - 50	50 - 60	60 - 70	70 - 80	80 - 90	90 - 100	100 - 110	Avg
State													
ACT&NT	21	-	5	0	38	24	3	4	3	1	-	1	32.84
NSW	35	0	6	1	29	16	3	5	3	1	0	2	28.88
Queensld	34	-	7	1	31	12	3	6	3	2	-	2	28.36
Sth_Aus	37	0	6	1	29	12	3	5	3	2	-	2	27.92
Tasmania	38	0	6	0	30	7	3	7	4	1	0	2	27.53
Victoria	31	-	5	0	31	16	4	5	3	1	0	2	30.53
West_Aus	30	0	8	1	31	15	3	5	3	1	0	2	29.68
Total	33	0	6	1	30	15	3	5	3	1	0	2	29.27

TABLE 60: DISTRIBUTION OF EMTRs BY STATE: ACTUAL AND NO INDEXING (2004/05)

Distribution of EMTRs by State in 2004/05

	EMTR												
	0	0 - 10	10 - 20	20 - 30	30 - 40	40 - 50	50 - 60	60 - 70	70 - 80	80 - 90	90 - 100	100 - 110	Avg
State													
ACT&NT	20	0	5	1	33	30	3	4	3	1	-	1	34
NSW	34	0	5	1	26	19	3	5	3	1	-	2	29.34
Queensld	33	-	6	1	29	15	3	6	4	2	0	2	29.63
Sth_Aus	36	0	6	1	27	15	3	5	3	2	0	2	27.87
Tasmania	37	-	5	0	27	12	4	6	4	2	-	2	28.41
Victoria	31	-	5	0	29	20	3	6	4	1	0	2	31.89
West_Aus	30	0	7	0	30	19	3	5	3	2	-	2	30.56
Total	33	0	6	1	28	18	3	5	3	1	0	2	30.13

Distribution of EMTRs by State in 2004/05 in absense of indexing

	EMTR												
	0	0 - 10	10 - 20	20 - 30	30 - 40	40 - 50	50 - 60	60 - 70	70 - 80	80 - 90	90 - 100	100 - 110	Avg
State													
ACT&NT	20	0	4	1	31	32	3	4	3	1	-	1	34.62
NSW	34	0	4	1	25	21	2	5	3	1	0	2	29.8
Queensld	33	-	5	1	28	17	2	6	4	2	0	2	30.11
Sth_Aus	36	0	5	1	25	17	3	6	3	2	0	2	28.32
Tasmania	37	-	5	0	26	13	3	7	4	2	0	2	28.83
Victoria	31	-	5	0	27	21	2	6	4	1	0	2	32.24
West_Aus	30	0	6	0	29	20	2	6	3	2	-	2	31.01
Total	33	0	5	1	27	20	2	6	4	1	0	2	30.57

TABLE 61: DISTRIBUTION OF EMTRs BY STATE: CPI AND AWE INDEXING (2004/05)

Distribution of EMTRs by State in 2004/05 under CPI indexing

	EMTR												
	0	0 - 10	10 - 20	20 - 30	30 - 40	40 - 50	50 - 60	60 - 70	70 - 80	80 - 90	90 - 100	100 - 110	Avg
State													
ACT&NT	21	0	5	1	36	26	3	4	3	1	-	1	33.06
NSW	35	-	5	1	27	18	3	5	3	1	-	2	28.81
Queensld	34	0	7	1	30	14	2	6	4	2	0	2	29.09
Sth_Aus	36	0	6	1	28	14	3	5	3	2	0	2	27.45
Tasmania	37	-	6	0	28	10	3	6	4	2	-	2	27.93
Victoria	31	-	5	0	30	18	3	6	4	1	0	2	31.34
West_Aus	30	0	7	0	31	17	3	5	3	2	-	2	30.17
Total	33	0	6	1	29	17	3	5	3	1	0	2	29.61

Distribution of EMTRs by State in 2004/05 under AWE indexing

	EMTR												
	0	0 - 10	10 - 20	20 - 30	30 - 40	40 - 50	50 - 60	60 - 70	70 - 80	80 - 90	90 - 100	100 - 110	Avg
State													
ACT&NT	21	0	6	1	37	24	4	4	3	1	-	1	32.51
NSW	35	-	6	1	29	16	3	5	3	1	-	2	28.34
Queensld	34	-	7	1	31	12	3	6	3	2	-	2	28.62
Sth_Aus	37	-	7	1	29	12	3	5	3	1	0	2	27
Tasmania	38	-	6	0	30	8	4	6	5	1	-	2	27.39
Victoria	31	-	5	0	31	16	4	6	3	1	0	2	30.84
West_Aus	30	-	8	0	31	15	3	5	4	1	-	2	29.61
Total	33	0	6	1	30	15	3	5	3	1	0	2	29.12

TABLE 62: DISTRIBUTION OF EMTRs BY STATE: ACTUAL AND NO INDEXING (2005/06)

Distribution of EMTRs by State in 2005/06

	EMTR												
	0	0 - 10	10 - 20	20 - 30	30 - 40	40 - 50	50 - 60	60 - 70	70 - 80	80 - 90	90 - 100	100 - 110	Avg
State													
ACT&NT	20	0	5	1	30	32	3	4	3	1	-	1	35.08
NSW	34	0	5	1	24	21	3	5	3	1	0	2	30.99
Queensld	33	-	6	1	28	17	3	6	4	2	0	2	30.32
Sth_Aus	36	0	6	1	25	17	3	5	2	2	0	2	28.08
Tasmania	37	-	5	1	26	13	3	7	4	3	-	2	28.48
Victoria	30	-	5	0	27	22	3	6	3	1	0	2	32.75
West_Aus	29	0	7	0	29	19	2	5	4	2	-	2	33.9
Total	32	0	5	1	26	20	3	6	3	1	0	2	31.41

Distribution of EMTRs by State in 2005/06 in absense of indexing

	EMTR												
	0	0 - 10	10 - 20	20 - 30	30 - 40	40 - 50	50 - 60	60 - 70	70 - 80	80 - 90	90 - 100	100 - 110	Avg
State													
ACT&NT	20	0	4	1	29	34	3	4	4	1	0	1	35.57
NSW	34	0	4	1	23	23	2	5	4	1	0	2	31.42
Queensld	33	-	5	1	27	18	2	6	4	2	0	2	30.67
Sth_Aus	36	0	5	1	24	18	2	6	3	2	0	2	28.49
Tasmania	37	-	5	1	25	14	3	8	4	3	0	2	28.97
Victoria	30	-	5	1	26	23	2	6	4	1	0	2	33.13
West_Aus	29	0	5	0	29	20	2	5	4	2	-	2	34.29
Total	32	0	5	1	26	22	2	6	4	1	0	2	31.81

TABLE 63: DISTRIBUTION OF EMTRs BY STATE: CPI AND AWE INDEXING (2005/06)

Distribution of EMTRs by State in 2005/06 under CPI indexing

	EMTR												
	0	0 - 10	10 - 20	20 - 30	30 - 40	40 - 50	50 - 60	60 - 70	70 - 80	80 - 90	90 - 100	100 - 110	Avg
State													
ACT&NT	20	-	5	1	34	27	3	4	3	1	-	1	33.95
NSW	34	0	5	1	27	18	3	5	3	1	0	2	30.14
Queensld	33	-	6	1	30	14	3	6	4	1	-	2	29.52
Sth_Aus	36	-	6	1	28	14	4	5	2	2	0	2	27.39
Tasmania	37	-	6	1	28	10	4	7	4	2	-	2	27.83
Victoria	31	-	5	0	30	19	3	6	3	1	0	2	31.96
West_Aus	30	-	8	0	31	17	3	5	4	1	-	2	33.19
Total	33	0	6	1	29	17	3	6	3	1	0	2	30.61

Distribution of EMTRs by State in 2005/06 under AWE indexing

	EMTR												
	0	0 - 10	10 - 20	20 - 30	30 - 40	40 - 50	50 - 60	60 - 70	70 - 80	80 - 90	90 - 100	100 - 110	Avg
State													
ACT&NT	21	-	6	1	37	24	4	4	3	1	-	1	33.11
NSW	34	0	6	1	29	16	3	5	3	1	0	2	29.55
Queensld	34	-	7	1	31	12	3	6	3	1	-	2	28.91
Sth_Aus	37	-	7	1	29	12	4	5	3	2	-	2	26.8
Tasmania	38	-	6	0	30	8	4	7	4	2	-	2	27.12
Victoria	31	-	5	0	31	17	4	6	3	1	0	2	31.37
West_Aus	30	-	8	1	32	14	3	4	4	1	-	2	32.56
Total	33	0	6	1	30	15	3	5	3	1	0	2	30

TABLE 64: DISTRIBUTION OF EMTRs BY UNIT TYPE (1999 – 2001)

Distribution of EMTRs by unit type in 1999/2000

	EMTR												
Unit Type	0	0 - 10	10 - 20	20 - 30	30 - 40	40 - 50	50 - 60	60 - 70	70 - 80	80 - 90	90 - 100	100 - 110	Avg
Couple	28	-	2	5	22	28	1	5	5	1	1	1	33.97
Couple /w dependents	10	-	1	4	23	46	0	1	5	6	1	2	50.01
Single female	48	0	5	6	20	11	1	3	4	1	1	2	23.33
Single male	36	-	5	6	25	18	1	2	2	1	1	3	28.43
Sole parent	52	-	2	0	6	16	1	9	4	7	0	3	28.78
Total	33	0	3	5	22	24	1	3	4	2	1	2	32.62

Distribution of EMTRs by unit type in 2000/01 (identical under the different scenarios)

	EMTR												
Unit Type	0	0 - 10	10 - 20	20 - 30	30 - 40	40 - 50	50 - 60	60 - 70	70 - 80	80 - 90	90 - 100	100 - 110	Avg
Couple	28	0	4	1	35	18	4	3	5	1	0	2	30.79
Couple /w dependents	11	-	2	2	29	33	1	13	5	2	-	2	45.45
Single female	48	0	8	-	27	5	4	2	2	1	0	2	21.88
Single male	36	-	8	0	35	9	2	1	2	2	0	3	26.5
Sole parent	52	0	2	-	9	6	9	19	2	1	-	1	26.45
Total	33	0	6	1	31	15	3	5	3	2	0	2	30

TABLE 65: DISTRIBUTION OF EMTRs BY UNIT TYPE UNDER DIFFERENT SCENARIOS (2001/02)

Distribution of EMTRs by unit type in 2001/02

Unit Type	EMTR 0	0 - 10	10 - 20	20 - 30	30 - 40	40 - 50	50 - 60	60 - 70	70 - 80	80 - 90	90 - 100	100 - 110	Avg
Couple	28	0	4	2	32	21	4	3	4	1	0	2	31.27
Couple /w dependents	11	-	2	1	28	35	0	13	6	2	0	2	43.8
Single female	48	0	8	-	26	7	3	2	3	2	-	2	21.42
Single male	36	0	8	0	34	11	2	1	3	2	0	3	26.19
Sole parent	52	-	2	-	9	6	9	18	3	1	-	1	26.83
Total	33	0	6	1	29	17	3	5	4	2	0	2	29.6

Distribution of EMTRs by unit type in 2001/02 in absense of indexing

Couple	28	0	4	2	32	21	4	3	4	1	0	2	31.27
Couple /w dependents	11	-	2	1	28	35	0	13	6	2	0	2	43.8
Single female	48	0	8	-	26	7	3	2	3	2	-	2	21.42
Single male	36	0	8	0	34	11	2	1	3	2	0	3	26.19
Sole parent	52	-	2	-	9	6	9	18	3	1	-	1	26.83
Total	33	0	6	1	29	17	3	5	4	2	0	2	29.6

Distribution of EMTRs by unit type in 2001/02 under CPI indexing

Couple	28	0	4	2	33	19	4	3	4	1	0	2	31.04
Couple /w dependents	11	-	2	1	29	34	1	14	5	2	0	2	43.44
Single female	48	0	8	0	27	6	3	2	3	1	-	2	21.22
Single male	36	0	9	1	34	10	2	2	3	2	0	3	25.92
Sole parent	52	-	2	0	9	5	9	18	3	1	-	1	26.65
Total	33	0	6	1	30	15	3	5	4	1	0	2	29.35

Distribution of EMTRs by unit type in 2001/02 under AWE indexing

Couple	28	0	4	2	34	19	4	3	4	1	0	2	30.96
Couple /w dependents	11	-	2	1	30	33	1	14	5	2	0	2	43.36
Single female	48	0	8	0	27	6	3	2	3	1	-	2	21.17
Single male	36	0	9	1	35	10	2	2	3	2	0	3	25.87
Sole parent	52	-	2	0	9	5	9	18	3	1	-	1	26.6
Total	33	0	6	1	30	15	3	5	4	1	0	2	29.28

TABLE 66: DISTRIBUTION OF EMTRs BY UNIT TYPE UNDER DIFFERENT SCENARIOS (2002/03)

Distribution of EMTRs by unit type in 2002/03

Unit Type	EMTR 0	0 - 10	10 - 20	20 - 30	30 - 40	40 - 50	50 - 60	60 - 70	70 - 80	80 - 90	90 - 100	100 - 110	Avg
Couple	28	0	3	1	32	21	4	4	4	1	0	2	33.02
Couple /w dependents	11	-	1	2	25	37	1	13	6	2	0	2	44.31
Single female	47	0	7	0	27	7	3	2	3	1	0	2	21.67
Single male	36	0	8	-	34	12	2	2	2	2	0	3	26.58
Sole parent	52	-	1	0	8	6	7	22	2	1	-	1	27.05
Total	33	0	5	1	29	17	3	5	3	2	0	2	30.28

Distribution of EMTRs by unit type in 2002/03 in absense of indexing

Couple	28	0	3	1	32	21	4	4	4	1	0	2	33.02
Couple /w dependents	11	-	1	2	25	37	1	13	6	2	0	2	44.31
Single female	47	0	7	0	27	7	3	2	3	1	0	2	21.67
Single male	36	0	8	-	34	12	2	2	2	2	0	3	26.58
Sole parent	52	-	1	0	8	6	7	22	2	1	-	1	27.05
Total	33	0	5	1	29	17	3	5	3	2	0	2	30.28

Distribution of EMTRs by unit type in 2002/03 under CPI indexing

Couple	28	0	4	1	33	20	4	3	4	1	0	2	32.62
Couple /w dependents	11	-	1	2	27	35	1	13	6	2	-	2	43.66
Single female	48	0	8	-	27	6	4	2	2	1	0	2	21.22
Single male	36	0	9	-	34	11	2	2	2	2	-	3	26.09
Sole parent	52	-	2	0	8	6	9	20	2	1	-	1	26.71
Total	33	0	6	1	29	16	3	5	3	2	0	2	29.79

Distribution of EMTRs by unit type in 2002/03 under AWE indexing

Couple	28	0	4	1	33	19	4	3	4	1	0	2	32.46
Couple /w dependents	11	-	2	2	29	34	1	14	5	2	-	2	43.39
Single female	48	0	8	0	28	5	4	2	2	2	0	2	21.1
Single male	36	0	9	-	35	10	2	1	2	2	-	3	25.92
Sole parent	52	-	2	0	9	5	10	19	2	1	-	1	26.56
Total	33	0	6	1	30	15	3	5	3	2	0	2	29.62

TABLE 67: DISTRIBUTION OF EMTRs BY UNIT TYPE UNDER DIFFERENT SCENARIOS (2003/04)

Distribution of EMTRs by unit type in 2003/04

Unit Type	EMTR 0	0 - 10	10 - 20	20 - 30	30 - 40	40 - 50	50 - 60	60 - 70	70 - 80	80 - 90	90 - 100	100 - 110	Avg
Couple	28	0	4	2	31	21	5	3	3	1	0	2	31.78
Couple /w dependents	11	0	2	1	26	37	1	13	6	2	0	1	43.47
Single female	47	0	9	0	26	7	4	2	2	1	0	2	22.06
Single male	35	-	9	0	33	12	2	2	2	3	0	3	26.87
Sole parent	52	-	2	0	8	6	8	19	2	1	-	1	26.54
Total	33	0	6	1	28	17	3	5	3	2	0	2	29.98

Distribution of EMTRs by unit type in 2003/04 in absense of indexing

Couple	28	0	3	2	31	22	4	4	3	1	0	2	32.1
Couple /w dependents	11	0	1	1	26	38	1	13	6	2	0	1	43.98
Single female	47	0	7	0	27	7	3	2	2	1	0	2	22.43
Single male	35	-	8	0	33	13	1	2	2	3	0	3	27.2
Sole parent	52	-	2	1	7	7	6	21	2	1	-	1	26.91
Total	33	0	5	1	28	18	3	6	3	2	0	2	30.36

Distribution of EMTRs by unit type in 2003/04 under CPI indexing

Couple	28	0	4	1	32	20	5	3	4	1	0	2	31.55
Couple /w dependents	11	0	2	1	28	35	1	14	6	1	0	1	42.97
Single female	48	0	8	0	27	6	4	2	2	2	0	2	21.78
Single male	36	-	8	0	34	11	2	2	2	2	-	3	26.51
Sole parent	52	-	2	0	8	6	8	19	3	1	-	1	26.26
Total	33	0	6	1	29	16	3	5	3	2	0	2	29.65

Distribution of EMTRs by unit type in 2003/04 under AWE indexing

Couple	28	0	4	1	33	19	5	3	4	1	0	2	31.16
Couple /w dependents	11	0	2	1	30	33	1	14	5	1	0	1	42.42
Single female	48	0	9	0	27	5	4	2	2	1	-	2	21.49
Single male	36	-	9	0	35	10	2	2	2	2	-	3	26.16
Sole parent	52	-	3	0	9	5	10	17	3	1	-	1	25.94
Total	33	0	6	1	30	15	3	5	3	1	0	2	29.27

TABLE 68: DISTRIBUTION OF EMTRs BY UNIT TYPE UNDER DIFFERENT SCENARIOS (2004/05)

Distribution of EMTRs by unit type in 2004/05

Unit Type	EMTR 0	0 - 10	10 - 20	20 - 30	30 - 40	40 - 50	50 - 60	60 - 70	70 - 80	80 - 90	90 - 100	100 - 110	Avg
Couple	28	-	4	1	30	22	4	4	3	1	0	2	33.09
Couple /w dependents	10	-	2	1	26	38	1	13	6	1	-	1	42.86
Single female	46	0	8	0	26	8	3	2	3	1	0	2	21.99
Single male	35	0	8	0	33	13	2	2	2	2	0	3	26.8
Sole parent	52	-	2	0	7	7	7	20	3	1	-	1	26.75
Total	33	0	6	1	28	18	3	5	3	1	0	2	30.13

Distribution of EMTRs by unit type in 2004/05 in absense of indexing

Couple	28	-	3	1	29	24	4	4	3	1	0	2	33.57
Couple /w dependents	10	-	1	1	24	40	1	13	7	1	-	1	43.44
Single female	46	0	7	0	26	9	3	3	3	1	0	2	22.29
Single male	35	0	8	0	31	15	1	2	2	2	0	3	27.25
Sole parent	52	-	1	1	7	8	6	21	3	1	-	1	27.1
Total	33	0	5	1	27	20	2	6	4	1	0	2	30.57

Distribution of EMTRs by unit type in 2004/05 under CPI indexing

Couple	28	-	4	1	32	21	4	3	3	1	0	2	32.69
Couple /w dependents	11	-	2	2	28	36	1	14	6	1	-	1	42.08
Single female	47	0	8	0	26	7	4	2	3	1	0	2	21.52
Single male	36	0	8	0	34	11	2	2	2	2	0	3	26.3
Sole parent	52	-	2	0	8	6	9	18	3	0	-	1	26.33
Total	33	0	6	1	29	17	3	5	3	1	0	2	29.61

Distribution of EMTRs by unit type in 2004/05 under AWE indexing

Couple	28	-	4	1	33	19	4	3	4	1	0	2	32.25
Couple /w dependents	11	-	2	2	31	33	1	14	6	1	-	1	41.43
Single female	47	0	9	0	27	5	4	2	3	1	-	2	21.1
Single male	36	-	9	0	35	10	2	2	2	2	0	3	25.8
Sole parent	52	-	3	0	9	5	11	16	3	0	-	1	25.95
Total	33	0	6	1	30	15	3	5	3	1	0	2	29.12

TABLE 69: DISTRIBUTION OF EMTRs BY UNIT TYPE UNDER DIFFERENT SCENARIOS (2005/06)

Distribution of EMTRs by unit type in 2005/06

Unit Type	EMTR 0	0 - 10	10 - 20	20 - 30	30 - 40	40 - 50	50 - 60	60 - 70	70 - 80	80 - 90	90 - 100	100 - 110	Avg
Couple	28	-	4	2	28	25	4	4	3	1	0	2	33.5
Couple /w dependents	10	-	1	1	24	40	1	13	6	1	-	1	46.37
Single female	46	0	8	0	26	9	3	2	3	1	0	2	22.47
Single male	35	0	8	0	31	15	2	2	2	2	0	3	27.57
Sole parent	52	-	2	1	7	7	7	19	4	1	-	1	29.73
Total	32	0	5	1	26	20	3	6	3	1	0	2	31.41

Distribution of EMTRs by unit type in 2005/06 in absense of indexing

Couple	28	-	3	2	27	27	4	4	3	1	0	2	33.94
Couple /w dependents	10	-	1	1	23	41	1	13	7	1	-	1	46.85
Single female	46	0	7	0	26	10	3	3	3	1	0	2	22.77
Single male	35	0	7	0	30	17	1	2	2	2	0	3	28.01
Sole parent	52	-	1	1	6	8	6	20	4	1	0	1	29.98
Total	32	0	5	1	26	22	2	6	4	1	0	2	31.81

Distribution of EMTRs by unit type in 2005/06 under CPI indexing

Couple	28	-	4	2	32	21	4	3	3	1	0	2	32.79
Couple /w dependents	10	-	2	1	28	36	1	14	5	1	-	1	45.21
Single female	47	0	8	0	27	7	3	2	3	1	-	2	21.81
Single male	35	-	8	0	34	12	2	2	2	1	0	3	26.8
Sole parent	52	-	2	0	8	6	10	17	4	0	-	1	29.09
Total	33	0	6	1	29	17	3	6	3	1	0	2	30.61

Distribution of EMTRs by unit type in 2005/06 under AWE indexing

Couple	28	-	4	2	33	19	4	3	4	1	0	2	32.24
Couple /w dependents	10	-	2	1	31	33	1	15	5	1	-	1	44.4
Single female	47	0	9	0	27	5	4	2	3	1	-	2	21.3
Single male	36	-	9	0	35	10	2	1	2	2	0	3	26.17
Sole parent	52	-	3	0	9	5	13	14	4	0	-	1	28.63
Total	33	0	6	1	30	15	3	5	3	1	0	2	30

TABLE 70: DISTRIBUTION OF EMTRs BY INCOME DECILES: ACTUAL (2003/04) FOR WORKING AGE HEADS

Distribution of EMTRs by income deciles in 2003/04

	EMTR												Weekly net	Number of
	0	0 - 10	10 - 20	20 - 30	30 - 40	40 - 50	50 - 60	60 - 70	70 - 80	80 - 90	90 - 100	100 - 110	Income unit income	observations
Income Decile														
……0 - 10	69	0	9	0	0	1	1	1	4	0	15	0	0-231	684
….10 - 20	40	0	25	1	2	2	2	2	8	14	5	0	231-351	683
….20 - 30	47	0	6	1	40	1	1	2	1	1	0	0	351-446	687
….30 - 40	20	0	1	2	61	2	3	4	6	2	0	0	446-533	685
….40 - 50	10	0	3	1	62	3	4	9	5	2	1	1	533-634	685
….50 - 60	6	0	2	1	59	4	4	18	5	1	2	0	634-749	685
….60 - 70	2	0	4	1	28	45	1	18	1	2	0	0	749-899	685
….70 - 80	2	0	2	0	46	44	0	3	1	0	0	0	899-1092	685
….80 - 90	0	0	2	0	43	45	0	3	6	0	0	0	1092-1394	685
….90 - 100	0	0	0	0	14	84	0	0	0	0	0	0	1394-7710	685
Total	20	0	5	1	35	23	2	6	4	2	2	0		6,849

TABLE 71: DISTRIBUTION OF EMTRs BY INCOME DECILES IN 2005/06 UNDER DIFFERENT TAX REFORMS: WORKING AGE HEADS

I: State in 2005/06 absent any further changes

	EMTR Class												% with EMTRs over	
DECILE	0	0-10	10-20	20-30	30-40	40-50	50-60	60-70	70-80	80-90	90-100	100-110	50%	70%
1	61	0	11	0	0	1	1	2	5	1	18	0	26.9	24
2	50	0	18	1	5	2	1	1	9	9	4	0	24.6	22
3	47	0	2	0	44	1	1	1	1	1	0	0	5.7	3
4	19	0	2	2	61	1	3	4	5	3	0	0	14.6	8
5	11	0	2	1	61	3	3	10	6	2	0	1	22.2	9
6	4	0	2	1	49	18	3	18	4	1	0	1	26.7	6
7	2	0	2	1	25	50	1	18	1	0	0	0	20.6	2
8	2	0	2	0	44	47	0	3	1	0	0	0	4.8	1
9	1	0	1	0	37	50	0	3	8	0	0	0	10.4	8
10	0	0	0	0	11	88	0	1	0	0	0	0	0.6	0
Total	19.52	0	4.38	0.58	33.73	26.12	1.36	6.07	4.04	1.87	2.06	0.26	15.7	8

II : State in 2005/06 in case of straight up indexing of tax thresholds

	EMTR Class												% with EMTRs over	
DECILE	0	0-10	10-20	20-30	30-40	40-50	50-60	60-70	70-80	80-90	90-100	100-110	50%	70%
1	61	0	10	0	0	2	1	3	4	1	18	0	26.9	23
2	50	0	21	1	2	2	1	1	10	8	4	0	24.3	22
3	47	0	5	1	40	1	1	2	2	1	0	0	5.6	3
4	19	0	2	1	61	2	3	4	6	2	0	0	14.6	8
5	11	0	3	1	61	2	4	10	6	1	0	1	21.7	8
6	4	0	2	1	63	3	3	19	4	1	0	1	27.6	6
7	2	0	3	1	34	41	1	17	0	0	0	0	19.3	1
8	2	0	2	0	47	44	0	3	1	0	0	0	4.4	1
9	1	0	2	0	45	42	0	4	6	0	0	0	10.2	6
10	0	0	0	0	15	84	0	1	0	0	0	0	0.6	0
Total	19.56	0	5.11	0.7	36.82	22.35	1.46	6.22	3.93	1.5	2.09	0.25	15.5	8

TABLE 72: DISTRIBUTION OF EMTRs BY INCOME DECILES IN 2005/06 UNDER DIFFERENT TAX REFORMS: WORKING AGE HEADS [CONT'D]

III : State in 2005/06. Raise top threshold to $77,500, reduce 42c rate by 2c, and introduce EITC

	EMTR Class												% with EMTRs over	
DECILE	0	0-10	10-20	20-30	30-40	40-50	50-60	60-70	70-80	80-90	90-100	100-110	50%	70%
1	69	0	7	0	0	1	1	1	4	0	15	0	22.0	20
2	43	0	22	1	4	0	1	1	15	7	4	0	29.1	26
3	46	0	3	32	11	0	2	2	2	1	0	0	6.8	3
4	17	0	1	23	14	1	5	33	4	2	0	0	44.5	6
5	9	0	2	2	53	3	5	18	5	1	1	1	30.1	7
6	5	0	2	5	40	20	5	18	4	1	1	0	28.3	6
7	2	0	3	1	20	46	6	19	3	0	0	0	28.0	3
8	2	0	2	1	41	44	1	6	3	0	0	0	10.8	3
9	1	0	1	0	35	51	0	3	8	0	0	0	11.2	8
10	0	0	0	0	10	89	0	0	0	0	0	0	0.4	0
Total	19.38	0.01	4.39	6.67	22.94	25.49	2.51	10.22	4.85	1.26	2.15	0.13	21.1	8

IV: State in 2005/06. Index top two thresholds by CPI combined with EITC

	EMTR Class												% with EMTRs over	
DECILE	0	0-10	10-20	20-30	30-40	40-50	50-60	60-70	70-80	80-90	90-100	100-110	50%	70%
1	69	0	7	0	0	1	1	1	4	0	15	0	22.0	20
2	43	0	22	1	4	0	1	1	15	7	4	0	29.1	26
3	46	0	3	32	11	0	2	2	2	1	0	0	6.8	3
4	17	0	1	23	14	1	5	33	4	2	0	0	44.5	6
5	9	0	2	2	53	3	5	18	5	1	1	1	30.1	7
6	5	0	2	5	55	4	5	18	4	1	1	0	29.2	6
7	2	0	2	1	27	41	5	21	1	0	0	0	26.9	1
8	2	0	2	1	44	41	1	6	3	0	0	0	10.7	3
9	1	0	1	0	44	42	0	4	6	0	0	0	11.1	6
10	0	0	0	0	15	84	0	1	0	0	0	0	0.6	0
Total	19.38	0.01	4.39	6.67	26.76	21.71	2.51	10.56	4.47	1.26	2.15	0.13	21.1	8

V: State in 2005/06. Raise top threshold to $77,500, reduce 42c rate by 2c, reduce taper rates from 70 to 45 (40 to 30 for Sole Parents). No hours restriction for Newstart eligibility

	EMTR Class												% with EMTRs over	
DECILE	0	0-10	10-20	20-30	30-40	40-50	50-60	60-70	70-80	80-90	90-100	100-110	50%	70%
1	62	0	8	0	0	2	8	2	0	0	18	0	28.3	19
2	53	0	11	1	4	2	11	12	2	0	4	0	29.0	5
3	42	0	2	0	33	1	3	14	3	2	0	0	22.0	5
4	19	0	1	1	65	1	6	4	2	0	0	0	12.2	2
5	10	0	1	2	55	1	10	15	4	2	1	0	31.7	6
6	6	0	1	1	35	18	10	20	8	1	1	0	39.4	10
7	2	0	2	1	24	46	5	16	3	1	0	0	25.0	4
8	2	0	2	0	44	47	1	3	1	0	0	0	4.8	1
9	1	0	1	0	36	51	0	3	8	0	0	0	10.5	8
10	0	0	0	0	10	89	0	0	0	0	0	0	0.4	0
Total	19.51	0	3.04	0.64	30.73	25.73	5.43	9.07	3.08	0.57	2.16	0.04	20.4	6

VI : State in 2005/06. Raise top two thresholds by CPI, reduce taper rates from 70 to 45 (40 to 30 for Sole Parents). No hours restriction for Newstart eligibility

	EMTR Class												% with EMTRs over	
DECILE	0	0-10	10-20	20-30	30-40	40-50	50-60	60-70	70-80	80-90	90-100	100-110	50%	70%
1	62	0	8	0	0	2	8	2	0	0	18	0	28.3	19
2	53	0	11	1	4	2	11	12	2	0	4	0	29.0	5
3	42	0	2	0	33	1	3	14	3	2	0	0	22.0	5
4	19	0	1	1	65	1	6	4	2	0	0	0	12.2	2
5	10	0	1	2	55	1	10	15	4	2	1	0	31.7	6
6	6	0	1	1	51	1	10	20	8	1	1	0	40.2	10
7	2	0	2	1	32	39	5	16	2	1	0	0	23.7	3
8	2	0	2	0	47	44	1	3	1	0	0	0	5.0	1
9	1	0	1	0	45	43	0	4	6	0	0	0	10.4	6
10	0	0	0	0	15	84	0	1	0	0	0	0	0.6	0
Total	19.51	0	3.04	0.64	34.71	21.8	5.4	9.32	2.82	0.57	2.16	0.04	20.3	6

VII : State in 2005/06. Raise top threshold to $77,500, reduce 42c rate by 2c, reduce taper rates from 70 to 45 (40 to 30 for Sole Parents). Eligible for Newstart only if working less than 30 hours

	EMTR Class												% with EMTRs over	
DECILE	0	0-10	10-20	20-30	30-40	40-50	50-60	60-70	70-80	80-90	90-100	100-110	50%	70%
1	61	0	9	0	0	1	7	2	0	0	20	0	28.2	20
2	53	0	13	1	5	2	9	10	2	0	4	0	25.6	6
3	43	0	2	0	38	1	3	11	1	1	0	0	15.5	2
4	20	0	1	2	65	1	5	4	2	0	0	0	11.7	3
5	10	0	2	1	55	1	10	15	4	1	0	0	30.4	5
6	6	0	1	1	36	18	9	20	8	1	1	0	39.0	10
7	2	0	2	1	24	46	5	15	3	1	0	0	24.4	4
8	2	0	2	0	44	47	1	3	1	0	0	0	4.8	1
9	1	0	1	0	36	51	0	3	8	0	0	0	10.5	8
10	0	0	0	0	10	89	0	0	0	0	0	0	0.4	0
Total	19.62	0	3.52	0.58	31.46	25.81	5.04	8.44	2.88	0.34	2.28	0.03	19.0	6

VIII : State in 2005/06. Raise top two thresholds by CPI, reduce taper rates from 70 to 45 (40 to 30 for Sole Parents). Eligible for Newstart only if working less than 30 hours

	EMTR Class												% with EMTRs over	
DECILE	0	0-10	10-20	20-30	30-40	40-50	50-60	60-70	70-80	80-90	90-100	100-110	50%	70%
1	61	0	9	0	0	1	7	2	0	0	20	0	28.2	20
2	53	0	13	1	5	2	9	10	2	0	4	0	25.6	6
3	43	0	2	0	38	1	3	11	1	1	0	0	15.5	2
4	20	0	1	2	65	1	5	4	2	0	0	0	11.7	3
5	10	0	2	1	55	1	10	15	4	1	0	0	30.4	5
6	6	0	1	1	51	1	10	20	8	1	1	0	39.6	10
7	2	0	2	1	32	40	5	16	2	1	0	0	23.2	3
8	2	0	2	0	47	44	1	3	1	0	0	0	5.0	1
9	1	0	1	0	45	43	0	4	6	0	0	0	10.4	6
10	0	0	0	0	15	84	0	1	0	0	0	0	0.6	0
Total	19.62	0	3.52	0.58	35.44	21.89	5.01	8.69	2.61	0.34	2.28	0.03	19.0	5

TABLE 75: DISTRIBUTION OF EMTRs BY INCOME DECILES IN 2005/06 UNDER DIFFERENT TAX REFORMS: WORKING AGE HEADS [SUMMARY]

	EMTRs over 50% in 2005/06 under various tax reforms (I - VIII)							
DECILE	**I**	**II**	**III**	**IV**	**V**	**VI**	**VII**	**VIII**
1	26.90	26.85	21.96	21.96	28.30	28.30	28.17	28.17
2	24.64	24.27	29.12	29.12	29.00	29.00	25.6	25.6
3	5.69	5.64	6.81	6.81	22.04	22.04	15.47	15.47
4	14.60	14.58	44.52	44.52	12.15	12.15	11.68	11.68
5	22.19	21.72	30.06	30.06	31.72	31.72	30.37	30.37
6	26.72	27.60	28.32	29.20	39.43	40.15	38.98	39.63
7	20.60	19.28	28.02	26.86	24.97	23.65	24.38	23.18
8	4.82	4.38	10.81	10.66	4.81	4.97	4.82	4.97
9	10.36	10.22	11.24	11.09	10.51	10.36	10.51	10.36
10	0.58	0.58	0.44	0.58	0.44	0.58	0.44	0.58
Total	15.66	15.45	21.12	21.08	20.35	20.31	19.01	18.96

	EMTRs over 70% in 2005/06 under various tax reforms (I - VIII)							
DECILE	**I**	**II**	**III**	**IV**	**V**	**VI**	**VII**	**VIII**
1	23.91	22.79	19.62	19.62	18.51	18.51	19.72	19.72
2	22.26	22.39	26.47	26.47	5.45	5.45	5.62	5.62
3	2.77	2.75	3.48	3.48	5.40	5.40	2.04	2.04
4	8.03	7.73	6.42	6.42	2.49	2.49	2.63	2.63
5	8.91	8.46	7.43	7.43	6.11	6.11	5.26	5.26
6	5.99	5.70	6.13	6.13	9.94	10.08	9.64	9.8
7	1.76	0.88	3.21	1.17	4.09	2.92	3.8	2.62
8	1.46	1.17	3.36	3.07	1.31	1.17	1.31	1.17
9	7.59	6.13	7.88	6.42	7.59	6.13	7.59	6.13
10	0.00	0.00	0.00	0.00	0.00	0.00	0	0
Total	8.23	7.77	8.39	8.01	5.85	5.59	5.53	5.26

I	State in 2005/06 absent any further changes
II	State in 2005/06 in case of straight up indexing of tax thresholds
III	State in 2005/06. Raise top threshold to $77,500, reduce 42c rate by 2c, and introduce EITC
IV	State in 2005/06. Index top two thresholds by CPI combined with EITC
V	State in 2005/06. Raise top threshold to $77,500, reduce 42c rate by 2c, reduce taper rates from 70 to 45 (40 to 30 for Sole Parents). No hours restriction for Newstart eligibility
VI	State in 2005/06. Raise top two threshold by CPI, reduce taper rates from 70 to 45 (40 to 30 for Sole Parents). No hours restriction for Newstart eligibility
VII	State in 2005/06. Raise top threshold to $77,500, reduce 42c rate by 2c, reduce taper rates from 70 to 45 (40 to 30 for Sole Parents). Eligible for Newstart only if working less than 30 hours
VIII	State in 2005/06. Raise top two threshold by CPI, reduce taper rates from 70 to 45 (40 to 30 for Sole Parents). Eligible for Newstart only if working less than 30 hours

TABLE 76: COSTS OF 1c REDUCTIONS IN TAX RATES AND VARIOUS INCREASES IN THRESHOLDS

	Upfront Costs ($m) in 2004 Q1 Dollars	
Action (each in turn, ceteris paribus)	If implemented in **2003/04**	If implemented in **2005/06**
Reduce the 17% tax rate to 16 %	1,244.9	1,204.0
Reduce the 30 % tax rate to 29 %	1,329.4	1,391.7
Reduce the 42 % tax rate to 41 %	183.1	206.3
Reduce the 47 % tax rate to 46 %	480.9	560.2
Reduce all tax rates by 1 % point	3,238.2	3,362.3
Increase the $6000 threshold by $500	713.6	686.2
Increase the $6000 threshold by $1,000	1,426.8	1,371.2
Increase the $6000 threshold by $2,000	2,851.3	2,738.8
Increase the $21,600 threshold by $1,000	909.2	900.4
Increase the $21,600 threshold by $2,000	1,800.9	1,781.2
Increase the $52,000 threshold by $1,000	253.8	278.5
Increase the $52,000 threshold by $2,000	499.1	543.9
Increase the $52,000 threshold by $4,000	961.4	1,050.2
Increase the $62,500 threshold by $1,000	64.5	78.6
Increase the $62,500 threshold by $4,000	241.3	290.8

Scenario A

Index the thresholds to reflect the increases in CPI. This will result in the following thresholds to be in place in 2005/06 (they could be rounded, but have not been)

6,000	6,818.38
20,000	22,727.93
52,000	56,819.81
62,500	68,183.80

Implementing this in 2005/06 will cost $3.8 billion (upfront).

Implementing these 2005/6 thresholds a year earlier, in 2004/5, will cost $3.7 billion in 2004/5. This amounts to an additional cost of $900 million in 2004/5 over a policy of "fair" 2004/5 CPI indexing[1].

Scenario B

Reduce each tax rate by 1c in the dollar and raise the $52,000 threshold to $54,000 and the $62,500 to $64,500

Implementing this in 2005/6 will cost $4 billion (upfront).

Scenario C

Leave the 17c and 30c rates unchanged, but raise the $62,500 threshold to $77,500 and lower the 42c rate to 40c (i.e. the original ANTS scales).

Implementing this in 2005/6 would cost $1.6 billion (upfront).

The cost consists of increasing the top threshold by $15,000 over the true level (a cost of about $1 billion) plus the costs of lowering the 42c rate by 2c. This is slightly higher than just twice the cost of a 1c reduction, as the cost calculated for a 1c reduction in the 42c rate assumes fixed thresholds. Now that the 42c bracket is stretched up (formerly ending at $62,500, but now extending to $77,500) means that a rate cut in the 42c bracket will be more expensive.

[1] The $3.7 billion is lower than the $3.8 billion because wages will be lower in 2004/5. Implementing the 2004/05 instead of the 2005/06 CPI indexed thresholds in 2004/5 will cost $2.8 billion (upfront). To introduce 2003/4 CPI indexed thresholds in 2003/04 will cost $1.7 billion (upfront).

Scenario D

Reduce the 47c rate to 42c (i.e. eliminate the top rate) and reduce the 30c rate by 1c to 29c.

Implementing this policy in 2005/6 will cost $4.2 billion (upfront).

About $2.8 billion are the costs for eliminating the top rate of 47c. The remainder is the cost for lowering the 30c rate.

Scenario E

Reduce the 42c rate to 30c (i.e. eliminate the 42c rate) and raise the top threshold from $62,500 to $82,500.

Implementing this policy in 2005/06 will cost $6 billion (upfront).

This is an expensive policy. The reason is that increasing the threshold and lowering the 42c rate now reinforce each other. The cost of reducing the 42c rate and increasing the top threshold by $1000 were each calculated in turn, assuming no further changes. What happens here is that the top threshold is raised substantially to $82,500, but that now no longer 42c is paid over $52,000 - $82,500, but only 30c. Just abolishing the 42c rate, keeping the thresholds fixed at current levels, will only be about $2.5 billion.

Scenario F

Abolish the 42c and 47c bands.

Implementing this in 2005/6 will cost about $12 billion (upfront).

The costs of a 1c reduction in the 42c rate should be multiplied by 12 (to reduce it to 30c) and the costs of a 1c reduction in the 47c rate should be multiplied by 17 (to reduce it to 30c), in order to calculate the cost of eliminating the top two bands. This is different from adding the costs of individually eliminating the 47 and 42 band separately.

Scenario G

Increase the $52,000 threshold to $57,000 and the $62,500 threshold to $72,500.

Implementing this policy in 2005/6 will cost about $1.9 billion (upfront).

TABLE 77: LEGEND FOR TABLES 78-79

Base	True state in 2000/01 (ANTS)
I	State in 2005/06 absent any further changes
II	State in 2005/06 in case of straight up indexing of tax thresholds
III	State in 2005/06. Raise top threshold to $77,500, reduce 42c rate by 2c, and introduce EITC
IV	State in 2005/06. Index top two thresholds by CPI combined with EITC
V	State in 2005/06. Raise top threshold to $77,500, reduce 42c rate by 2c, reduce taper rates from 70 to 45 (40 to 30 for Sole Parents). No hours restriction for Newstart eligibility
VI	State in 2005/06. Raise top two threshold by CPI, reduce taper rates from 70 to 45 (40 to 30 for Sole Parents). No hours restriction for Newstart eligibility
VII	State in 2005/06. Raise top threshold to $77,500, reduce 42c rate by 2c, reduce taper rates from 70 to 45 (40 to 30 for Sole Parents). Eligible for Newstart only if working less than 30 hours
VIII	State in 2005/06. Raise top two threshold by CPI, reduce taper rates from 70 to 45 (40 to 30 for Sole Parents). Eligible for Newstart only if working less than 30 hours
IX	State in 2005/06. Introduce the EITC only
X	State in 2005/06. Introduce the reduced taper rates from 70 to 50 (40 to 30 for Sole Parents) only. No hours restriction for Newstart eligibility
XI	State in 2005/06. State in 2005/06. Introduce the reduced taper rates from 70 to 50 (40 to 30 for Sole Parents) only. Eligible for Newstart only if working less than 30 hours

Note: The payments under the EITC, which affects columns III and IV in tables 78 and 79, will appear in the category for Family Benefits (FTB/FTP).

TABLE 78: EFFECTS ON THE BUDGET BALANCE SHEET OF VARIOUS PROPOSED TAX REFORMS: TAKING LABOUR SUPPLY CHANGES INTO ACCOUNT (see Table 77)

		TAKING LS CHANGES INTO ACCOUNT								IN TERMS OF DIFFERENCES FROM COLUMN I						
COUPLE																
Government Revenue	**Base**	**I**	**II**	**III**	**IV**	**V**	**VI**	**VII**	**VIII**	**II**	**III**	**IV**	**V**	**VI**	**VII**	**VIII**
Income Tax	62234.1	9673.5	6999.3	8591.1	8568	8559.9	8538.2	8557.7	8530.4	-2674.2	-1082.4	-1105.5	-1113.6	-1135.3	-1115.8	-1143.1
Medicare	4356.9	800.6	820.8	810.7	810.8	839.9	839.6	835.3	834.8	20.2	10.1	10.2	39.3	39	34.7	34.2
Total Revenue	66590.9	10474	7820.1	9401.9	9378.8	9399.8	9377.8	9393	9365.2	-2653.9	-1072.1	-1095.2	-1074.2	-1096.2	-1081	-1108.8
Government Expenditure																
Tax Rebates	1664.9	412.3	158.9	404.4	404	386.1	385.7	398.2	397.7	-253.4	-7.9	-8.3	-26.2	-26.6	-14.1	-14.6
Fam Payment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
FTP/FTB	6505.7	152.7	117.3	1118.7	1104.4	261	249.9	249.8	238.3	-35.4	966	951.7	108.3	97.2	97.1	85.6
Allowances	6567.9	-519.1	-639.4	-748.6	-756	937.5	931.3	758.6	752.2	-120.3	-229.5	-236.9	1456.6	1450.4	1277.7	1271.3
Pensions	14770.8	1518.3	1515.7	1495.7	1495.6	1515	1516	1514.9	1514.8	-2.6	-22.6	-22.7	-3.3	-2.3	-3.4	-3.5
Pharm Allow	145.1	-12.4	-12.4	-12.4	-12.4	-10.9	-10.9	-10.9	-10.9	0	0	0	1.5	1.5	1.5	1.5
Rent Allow	700.9	-121	-123.8	-116.9	-117.4	-62.2	-62.3	-78.9	-79.1	-2.8	4.1	3.6	58.8	58.7	42.1	41.9
Total Expenditure	30355.2	1430.8	1016.4	2140.9	2118.2	3026.5	3009.7	2831.7	2812.9	-414.4	710.1	687.4	1595.7	1578.9	1400.9	1382.1
Net Expenditure	-36235.7	-9043.2	-6803.7	-7261	-7260.6	-6373.3	-6368.1	-6561.3	-6552.2	2239.5	1782.2	1782.6	2669.9	2675.1	2481.9	2491
SINGLE MEN																
Government Revenue																
Income Tax	13911.6	2783.9	2142.3	2635.7	2641.6	2593.7	2604.4	2579.3	2588.8	-641.6	-148.2	-142.3	-190.2	-179.5	-204.6	-195.1
Medicare	1104.6	247.5	260.2	257.6	261	256.5	260.2	254.2	257.8	12.7	10.1	13.5	9	12.7	6.7	10.3
Total Revenue	15016.2	3031.5	2402.5	2893.3	2902.6	2850.2	2864.6	2833.4	2846.6	-629	-138.2	-128.9	-181.3	-166.9	-198.1	-184.9
Government Expenditure																
Tax Rebates	451	107.8	26.5	99.5	97.8	110.8	109.1	110.3	108.5	-81.3	-8.3	-10	3	1.3	2.5	0.7
Fam Payment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
FTP/FTB	0	0	0	697.6	697.5	0	0	0	0	0	697.6	697.5	0	0	0	0
Allowances	4707.1	-262.6	-364.9	-417.6	-440.9	35.6	11.3	-53.8	-78.4	-102.3	-155	-178.3	298.2	273.9	208.8	184.2
Pensions	4423.8	424.5	424.5	422.2	422.2	424.5	424.8	424.5	424.5	0	-2.3	-2.3	0	0.3	0	0
Pharm Allow	70.4	-6.3	-6.3	-6.3	-6.3	-6.3	-6.3	-6.3	-6.3	0	0	0	0	0	0	0
Rent Allow	506.3	-113.9	-119.7	-119.7	-122.9	-58.3	-61.6	-83.8	-87.2	-5.8	-5.8	-9	55.6	52.3	30.1	26.7
Total Expenditure	10158.5	149.4	-40	675.6	647.4	506.3	477.3	390.9	361.1	-189.4	526.2	498	356.9	327.9	241.5	211.7
Net Expenditure	-4857.6	-2882	-2442.6	-2217.7	-2255.2	-2343.9	-2387.3	-2442.5	-2485.5	439.4	664.3	626.8	538.1	494.7	439.5	396.5
SINGLE WOMEN																
Government Revenue																
Income Tax	8134.4	1146.4	671.3	1071.5	1046.6	1064.3	1039	1060.9	1034.9	-475.1	-74.9	-99.8	-82.1	-107.4	-85.5	-111.5
Medicare	642	91.7	95.6	95.3	96.2	96.2	97.1	95.5	96.2	3.9	3.6	4.5	4.5	5.4	3.8	4.5
Total Revenue	8776.4	1238.2	766.9	1166.8	1142.8	1160.5	1136	1156.4	1131.2	-471.3	-71.4	-95.4	-77.7	-102.2	-81.8	-107
Government Expenditure																
Tax Rebates	704.6	219.5	112	212.3	212.1	221.5	221.2	221.3	221	-107.5	-7.2	-7.4	2	1.7	1.8	1.5
Fam Payment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
FTP/FTB	0	0	0	630.8	630.6	0	0	0	0	0	630.8	630.6	0	0	0	0
Allowances	2863.4	-90.5	-133.9	-235	-237.3	159.5	157.4	115.6	113.3	-43.4	-144.5	-146.8	250	247.9	206.1	203.8
Pensions	9235.8	897.4	895.5	879.5	878.9	897.4	897.5	897.4	896.8	-1.9	-17.9	-18.5	0	0.1	0	-0.6
Pharm Allow	134.6	-11	-11	-11	-11	-11	-11	-11	-11	0	0	0	0	0	0	0
Rent Allow	372.6	-77.8	-79.9	-84.9	-85	-9.1	-9.2	-32.2	-32.4	-2.1	-7.1	-7.2	68.7	68.6	45.6	45.4
Total Expenditure	13311	937.6	782.7	1391.7	1388.2	1258.3	1256	1191	1187.7	-154.9	454.1	450.6	320.7	318.4	253.4	250.1
Net Expenditure	4534.5	-300.6	15.8	224.9	245.4	97.7	119.9	34.7	56.5	316.4	525.5	546	398.3	420.5	335.3	357.1
SOLE PARENTS																
Government Revenue																
Income Tax	2124.2	202.5	126	334.5	325.3	415	406.7	414.3	405.8	-76.5	132	122.8	212.5	204.2	211.8	203.3
Medicare	101.3	6.6	11	17.3	17.2	28.5	28.5	28.5	28.4	4.4	10.7	10.6	21.9	21.9	21.9	21.8
Total Revenue	2225.5	209.1	136.9	351.8	342.6	443.6	435.2	442.8	434.2	-72.2	142.7	133.5	234.5	226.1	233.7	225.1
Government Expenditure																
Tax Rebates	315.9	135.4	73.7	111.9	111.6	92.4	92.1	92.5	92.2	-61.7	-23.5	-23.8	-43	-43.3	-42.9	-43.2
Fam Payment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
FTP/FTB	3789.2	185.8	173.4	374.2	372.8	256.6	255.2	256.6	254.9	-12.4	188.4	187	70.8	69.4	70.8	69.1
Allowances	3933.4	604.8	514.5	304.5	302.4	634	630.6	634.2	630.4	-90.3	-300.3	-302.4	29.2	25.8	29.4	25.6
Pensions	227.7	24.1	24.1	22.3	22.3	24.1	24.2	24.1	24.1	0	-1.8	-1.8	0	0.1	0	0
Pharm Allow	64.2	-2.5	-3.1	-4	-4	1.8	1.7	1.8	1.7	-0.6	-1.5	-1.5	4.3	4.2	4.3	4.2
Rent Allow	622.6	-58.6	-60.8	-62.3	-62.7	-53	-53.7	-53	-53.7	-2.2	-3.7	-4.1	5.6	4.9	5.6	4.9
Total Expenditure	8953	889	721.8	746.6	742.4	955.9	950	956.2	949.6	-167.2	-142.4	-146.6	66.9	61	67.2	60.6
Net Expenditure	6727.5	679.9	584.9	394.8	399.8	512.3	514.8	513.4	515.4	-95	-285.1	-280.1	-167.6	-165.1	-166.5	-164.5
MITTS B (EX POST) COST ($m)		-11545.9	-8645.6	-8859	-8870.6	-8107.2	-8120.7	-8455.7	-8465.8	**2,900.3**	**2,686.9**	**2,675.3**	**3,438.7**	**3,425.2**	**3,090.2**	**3,080.1**

TABLE 79: EFFECTS ON THE BUDGET BALANCE SHEET OF VARIOUS PROPOSED TAX REFORMS: IGNORING LABOUR SUPPLY CHANGES (see Table 77)

COUPLE		IGNORING LS CHANGES								IN TERMS OF DIFFERENCES FROM COLUMN I						
Government Revenue	**Base**	**I**	**II**	**III**	**IV**	**V**	**VI**	**VII**	**VIII**	**II**	**III**	**IV**	**V**	**VI**	**VII**	**VIII**
Income Tax	62234.1	10044.4	7114.9	8776.1	8775.6	8936.8	8941.2	8910.8	8910.3	-2929.5	-1268.3	-1268.8	-1107.6	-1103.2	-1133.6	-1134.1
Medicare	4356.9	845.6	845.6	845.6	845.6	888.6	889	882.6	882.6	0	0	0	43	43.4	37	37
Total Revenue	66590.9	10890.1	7960.5	9621.7	9621.2	9825.5	9830.2	9793.4	9792.9	-2929.6	-1268.4	-1268.9	-1064.6	-1059.9	-1096.7	-1097.2
Government Expenditure																
Tax Rebates	1664.9	409.3	159.3	409.3	409.3	384.3	384.5	397.7	397.7	-250	0	0	-25	-24.8	-11.6	-11.6
Fam Payment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
FTP/FTB	6505.7	94.1	94.1	960.4	960.4	128.5	129	119.8	119.8	0	866.3	866.3	34.4	34.9	25.7	25.7
Allowances	6567.9	-395.7	-395.7	-395.7	-395.7	1027.4	1027.9	843.2	843.2	0	0	0	1423.1	1423.6	1238.9	1238.9
Pensions	14770.8	1517.5	1517.5	1517.5	1517.5	1517.5	1518.7	1517.5	1517.5	0	0	0	0	1.2	0	0
Pharm Allow	145.1	-12.5	-12.5	-12.5	-12.5	-11.1	-11.1	-11.1	-11.1	0	0	0	1.4	1.4	1.4	1.4
Rent Allow	700.9	-119.3	-119.3	-119.3	-119.3	-77.9	-77.9	-93.2	-93.2	0	0	0	41.4	41.4	26.1	26.1
Total Expenditure	30355.2	1493.5	1243.5	2359.7	2359.7	2968.8	2971.2	2773.8	2773.8	-250	866.2	866.2	1475.3	1477.7	1280.3	1280.3
Net Expenditure	-36235.7	-9396.6	-6717	-7262	-7261.5	-6856.7	-6859	-7019.6	-7019.1	2679.6	2134.6	2135.1	2539.9	2537.6	2377	2377.5
SINGLE MEN																
Government Revenue																
Income Tax	13911.6	2700.4	1934.5	2451.2	2432	2507.5	2489.4	2490.4	2471.2	-765.9	-249.2	-268.4	-192.9	-211	-210	-229.2
Medicare	1104.6	242.3	242.3	242.3	242.3	250.5	250.5	248	248	0	0	0	8.2	8.2	5.7	5.7
Total Revenue	15016.2	2942.7	2176.8	2693.5	2674.3	2758	2739.9	2738.4	2719.2	-765.9	-249.2	-268.4	-184.7	-202.8	-204.3	-223.5
Government Expenditure																
Tax Rebates	451	120.1	41.7	120.1	120.1	123.7	123.8	123.1	123.1	-78.4	0	0	3.6	3.7	3	3
Fam Payment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
FTP/FTB	0	0	0	660.4	660.4	0	0	0	0	0	660.4	660.4	0	0	0	0
Allowances	4707.1	-85.4	-85.4	-85.4	-85.4	213.7	214.1	122.5	122.5	0	0	0	299.1	299.5	207.9	207.9
Pensions	4423.8	425.4	425.4	425.4	425.4	425.4	425.7	425.4	425.4	0	0	0	0	0.3	0	0
Pharm Allow	70.4	-6.1	-6.1	-6.1	-6.1	-6.1	-6.1	-6.1	-6.1	0	0	0	0	0	0	0
Rent Allow	506.3	-97.6	-97.6	-97.6	-97.6	-46.9	-46.8	-71.1	-71.1	0	0	0	50.7	50.8	26.5	26.5
Total Expenditure	10158.5	356.2	277.9	1016.7	1016.7	709.8	710.6	593.8	593.8	-78.3	660.5	660.5	353.6	354.4	237.6	237.6
Net Expenditure	-4857.6	-2586.5	-1898.9	-1676.9	-1657.7	-2048.1	-2029.3	-2144.7	-2125.4	687.6	909.6	928.8	538.4	557.2	441.8	461.1
SINGLE WOMEN																
Government Revenue																
Income Tax	8134.4	1136.8	630.5	1050.9	1021.5	1096.7	1067.9	1086.8	1057.4	-506.3	-85.9	-115.3	-40.1	-68.9	-50	-79.4
Medicare	642	92.7	92.7	92.7	92.7	98.6	98.7	97.6	97.6	0	0	0	5.9	6	4.9	4.9
Total Revenue	8776.4	1229.5	723.2	1143.6	1114.2	1195.3	1166.6	1184.4	1155	-506.3	-85.9	-115.3	-34.2	-62.9	-45.1	-74.5
Government Expenditure																
Tax Rebates	704.6	220.1	114.3	220.1	220.1	222.2	222.3	221.9	221.9	-105.8	0	0	2.1	2.2	1.8	1.8
Fam Payment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
FTP/FTB	0	0	0	589.5	589.5	0	0	0	0	0	589.5	589.5	0	0	0	0
Allowances	2863.4	-44.6	-44.6	-44.6	-44.6	195.3	195.5	147.8	147.8	0	0	0	239.9	240.1	192.4	192.4
Pensions	9235.8	880.9	880.9	880.9	880.9	880.9	881.6	880.9	880.9	0	0	0	0	0.7	0	0
Pharm Allow	134.6	-11.2	-11.2	-11.2	-11.2	-11.2	-11.2	-11.2	-11.2	0	0	0	0	0	0	0
Rent Allow	372.6	-73.5	-73.5	-73.5	-73.5	-17.9	-17.9	-38.7	-38.7	0	0	0	55.6	55.6	34.8	34.8
Total Expenditure	13311	971.8	866	1561.3	1561.3	1269.4	1270.4	1200.7	1200.7	-105.8	589.5	589.5	297.6	298.6	228.9	228.9
Net Expenditure	4534.5	-257.7	142.8	417.6	447	74.1	103.9	16.3	45.7	400.5	675.3	704.7	331.8	361.6	274	303.4
SOLE PARENTS																
Government Revenue																
Income Tax	2124.2	358	220.2	332.7	327.8	419.8	415.1	419.5	414.6	-137.8	-25.3	-30.2	61.8	57.1	61.5	56.6
Medicare	101.3	18.6	18.6	18.6	18.6	28.8	28.8	28.8	28.8	0	0	0	10.2	10.2	10.2	10.2
Total Revenue	2225.5	376.6	238.7	351.3	346.4	448.6	443.8	448.2	443.3	-137.9	-25.3	-30.2	72	67.2	71.6	66.7
Government Expenditure																
Tax Rebates	315.9	110.4	58.8	110.4	110.4	95.7	95.7	95.7	95.7	-51.6	0	0	-14.7	-14.7	-14.7	-14.7
Fam Payment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
FTP/FTB	3789.2	148.8	148.8	344	344	223.2	223.5	223.2	223.2	0	195.2	195.2	74.4	74.7	74.4	74.4
Allowances	3933.4	351.5	351.5	351.5	351.5	654.9	655.2	653.3	653.3	0	0	0	303.4	303.7	301.8	301.8
Pensions	227.7	24.1	24.1	24.1	24.1	24.1	24.2	24.1	24.1	0	0	0	0	0.1	0	0
Pharm Allow	64.2	-4.7	-4.7	-4.7	-4.7	0.2	0.2	0.2	0.2	0	0	0	4.9	4.9	4.9	4.9
Rent Allow	622.6	-64.1	-64.1	-64.1	-64.1	-64.1	-64.1	-64.1	-64.1	0	0	0	0	0	0	0
Total Expenditure	8953	566	514.3	761.2	761.2	934.1	934.7	932.5	932.5	-51.7	195.2	195.2	368.1	368.7	366.5	366.5
Net Expenditure	6727.5	189.4	275.5	409.9	414.8	485.5	490.9	484.2	489.2	86.1	220.5	225.4	296.1	301.5	294.8	299.8
MITTS A ("UPFRONT") COST ($m)		-12051.4	-8197.6	-8111.4	-8057.4	-8345.2	-8293.5	-8663.8	-8609.6	**3,853.8**	**3,940.0**	**3,994.0**	**3,706.2**	**3,757.9**	**3,387.6**	**3,441.8**

TABLE 80: LABOUR SUPPLY EFFECTS OF VARIOUS TAX REFORMS (SEE LEGEND IN TABLE 77 FOR CODING OF REFORM PROPOSALS)

TAX REFORM SCENARIO	SEE LAST COLUMN						NUMBER OF EXTRA WORKERS (VS BASE)
	COUPLE: MEN						
	workers (%reform)	non-work-->work (%)	work-->non-work (%)	workers working more	workers working less	average hours change	
I	base	base	base	base	base	base	
II	0.17	0.08	-0.08	-0.04	-0.1	0.08	**7,479**
III	0.33	0.3	-0.03	0.12	0.07	0.13	**14,517**
IV	0.32	0.28	-0.03	0.04	0.07	0.11	**14,077**
V	-0.07	0.13	0.21	0.1	0.13	-0.06	**-3,079**
VI	-0.08	0.12	0.2	0.02	0.13	-0.08	**-3,519**
VII	-0.02	0.19	0.21	0.1	0.11	-0.04	**-880**
VIII	-0.04	0.17	0.21	0.02	0.11	-0.06	**-1,760**
IX	0.27	0.27	0.01	0.03	0.17	0.08	**11,878**
X	-0.1	0.05	0.16	0	0.14	-0.08	**-4,399**
XI	-0.07	0.09	0.17	0	0.12	-0.07	**-3,079**
	COUPLE: WOMEN						
	workers (%reform)	non-work-->work (%)	work-->non-work (%)	workers working more	workers working less	average hours change	
I	base	base	base	base	base	base	
II	0.28	0.07	-0.21	0.01	-0.09	0.12	**12,318**
III	-0.09	0.09	0.18	0.06	0.04	-0.03	**-3,959**
IV	-0.01	0.1	0.11	0.02	0.03	-0.01	**-440**
V	-0.2	0.02	0.22	0.11	0.1	-0.07	**-8,798**
VI	-0.13	0.03	0.16	0.07	0.08	-0.05	**-5,719**
VII	-0.23	0.02	0.26	0.1	0.1	-0.09	**-10,118**
VIII	-0.16	0.03	0.19	0.06	0.09	-0.06	**-7,039**
IX	-0.14	0.09	0.24	0.02	0.08	-0.07	**-6,159**
X	-0.12	0.04	0.17	0.04	0.09	-0.06	**-5,279**
XI	-0.14	0.05	0.19	0.04	0.1	-0.07	**-6,159**
	SINGLE MEN						
	workers (%reform)	non-work-->work (%)	work-->non-work (%)	workers working more	workers working less	average hours change	
I	base	base	base	base	base	base	
II	0.38	0.27	-0.11	-0.01	-0.07	0.17	**11,092**
III	0.64	0.59	-0.06	0.05	0.19	0.22	**18,681**
IV	0.72	0.63	-0.09	0.01	0.16	0.26	**21,016**
V	-0.01	-0.01	0	0.03	0.13	-0.03	**-292**
VI	0.07	0.04	-0.04	-0.01	0.09	0.01	**2,043**
VII	-0.03	-0.02	0	0.03	0.07	-0.03	**-876**
VIII	0.06	0.03	-0.04	-0.01	0.03	0.01	**1,751**
IX	0.56	0.56	-0.01	0	0.23	0.17	**16,346**
X	-0.07	-0.02	0.03	-0.01	0.09	-0.05	**-2,043**
XI	-0.08	-0.03	0.04	-0.01	0.06	-0.05	**-2,335**
	SINGLE WOMEN						
	workers (%reform)	non-work-->work (%)	work-->non-work (%)	workers working more	workers working less	average hours change	
I	base	base	base	base	base	base	
II	0.21	0.16	-0.04	-0.05	-0.05	0.07	**5,507**
III	0.72	0.67	-0.05	0.06	0.51	0.17	**18,882**
IV	0.73	0.67	-0.06	0.01	0.46	0.17	**19,144**
V	0.16	0.15	-0.01	-0.05	0.52	-0.08	**4,196**
VI	0.17	0.15	-0.02	-0.09	0.48	-0.07	**4,458**
VII	0.14	0.14	0	-0.03	0.4	-0.07	**3,671**
VIII	0.15	0.14	-0.01	-0.07	0.35	-0.06	**3,934**
IX	0.71	0.67	-0.04	0.02	0.55	0.15	**18,619**
X	0.06	0.08	0.02	-0.07	0.34	-0.07	**1,573**
XI	0.04	0.07	0.03	-0.07	0.27	-0.06	**1,049**
	SINGLE PARENTS						
	workers (%reform)	non-work-->work (%)	work-->non-work (%)	workers working more	workers working less	average hours change	
I	base	base	base	base	base	base	
II	1.29	0.03	-1.26	0.08	-0.23	0.56	**7,602**
III	5.4	2.14	-3.27	0.24	-0.05	1.92	**31,821**
IV	5.42	2.14	-3.29	0.03	-0.12	1.91	**31,939**
V	4.77	1.76	-3.02	0.86	0.47	1.82	**28,109**
VI	4.82	1.76	-3.07	0.64	0.43	1.82	**28,404**
VII	4.74	1.72	-3.02	0.86	0.47	1.8	**27,932**
VIII	4.79	1.72	-3.07	0.64	0.43	1.81	**28,227**
IX	5.39	2.14	-3.25	0.03	0.04	1.88	**31,763**
X	4.7	1.72	-2.99	0.65	0.51	1.77	**27,696**
XI	4.67	1.69	-2.99	0.65	0.51	1.76	**27,520**

TAX REFORM SCENARIO	NUMBER OF EXTRA WORKERS (VS BASE)	OF WHICH ARE SINGLE PARENTS SINGLE MEN, OR SINGLE WOMEN
II	**43,997**	**24,201**
III	**79,942**	**69,384**
IV	**85,737**	**72,099**
V	**20,135**	**32,013**
VI	**25,667**	**34,905**
VII	**19,730**	**30,728**
VIII	**25,113**	**33,912**
IX	**72,447**	**66,728**
X	**17,549**	**27,227**
XI	**16,995**	**26,234**

TABLE 81: DISTRIBUTION OF WINNERS BY INCOME DECILES IN 2005/06 UNDER DIFFERENT TAX REFORMS: WORKING AGE HEADS

III : State in 2005/06. Raise top threshold to $77,500, reduce 42c rate by 2c, and introduce EITC

Decile	Non-winner (%)	Winner (%)	Total
1	82.60	17.40	100.00
2	65.13	34.88	100.00
3	57.52	42.48	100.00
4	28.76	71.24	100.00
5	61.75	38.25	100.00
6	51.68	48.32	100.00
7	24.38	75.62	100.00
8	42.34	57.66	100.00
9	33.14	66.86	100.00
10	1.02	98.98	100.00
Total	44.53	55.47	100.00

Absolute increase in after tax weekly family income (%)

Decile	Non-winner	$0 - $5	$5 - $10	$10 - $15	$15 - $20	$20 - $25	$25 - $30	$30 - $35	$35 - $40	$40 - $45	$45 - $50	$50+	Total
1	82.60	7.21	5.10	5.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	100.00
2	65.13	2.88	6.13	9.50	16.38	0.00	0.00	0.00	0.00	0.00	0.00	0.00	100.00
3	57.52	1.90	1.75	1.02	4.38	26.42	7.01	0.00	0.00	0.00	0.00	0.00	100.00
4	28.76	2.19	9.64	8.32	9.93	8.18	32.99	0.00	0.00	0.00	0.00	0.00	100.00
5	61.75	9.93	3.94	4.67	5.69	5.26	8.61	0.15	0.00	0.00	0.00	0.00	100.00
6	51.68	16.06	1.46	3.07	1.46	2.77	21.17	2.04	0.29	0.00	0.00	0.00	100.00
7	24.38	29.34	14.74	7.30	2.92	0.73	15.62	1.46	1.90	1.61	0.00	0.00	100.00
8	42.34	8.76	7.45	6.42	8.03	21.31	2.04	1.02	0.73	0.88	0.88	0.15	100.00
9	33.14	21.90	7.88	5.11	4.96	26.28	0.00	0.29	0.00	0.15	0.15	0.15	100.00
10	1.02	10.95	9.34	5.11	5.99	49.64	5.84	1.90	0.88	1.61	7.01	0.73	100.00
Total	44.53	11.04	6.76	5.64	6.25	14.06	9.33	0.69	0.38	0.42	0.80	0.10	100.00

Relative increase in after tax weekly family income (%)

Decile	Non-winner	0% - 5%	5% - 10%	30%+	Total
1	82.43	12.13	5.27	0.18	100.00
2	65.13	13.63	21.25	0.00	100.00
3	57.52	5.99	36.50	0.00	100.00
4	28.76	38.10	33.14	0.00	100.00
5	61.75	37.81	0.44	0.00	100.00
6	51.68	48.18	0.15	0.00	100.00
7	24.38	74.45	1.17	0.00	100.00
8	42.34	57.23	0.44	0.00	100.00
9	33.14	66.86	0.00	0.00	100.00
10	1.02	98.98	0.00	0.00	100.00
Total	44.52	45.36	10.10	0.01	100.00

TABLE 82: DISTRIBUTION OF WINNERS BY INCOME DECILES IN 2005/06 UNDER DIFFERENT TAX REFORMS: WORKING AGE HEADS [CONT'D]

IV : State in 2005/06. Index top two thresholds by CPI combined with EITC

Decile	Non-winner (%)	Winner (%)	Total
1	82.60	17.40	100.00
2	65.13	34.88	100.00
3	57.52	42.48	100.00
4	28.76	71.24	100.00
5	61.75	38.25	100.00
6	51.68	48.32	100.00
7	24.38	75.62	100.00
8	42.34	57.66	100.00
9	33.14	66.86	100.00
10	1.02	98.98	100.00
Total	44.53	55.47	100.00

Absolute increase in after tax weekly family income (%)

Decile	Non-winner	$0 - $5	$5 - $10	$10 - $15	$15 - $20	$20 - $25	$25 - $30	$30 - $35	$35 - $40	$40 - $45	$45 - $50	$50+	Total
1	82.60	7.21	5.10	5.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	100.00
2	65.13	2.88	6.13	9.50	16.38	0.00	0.00	0.00	0.00	0.00	0.00	0.00	100.00
3	57.52	1.90	1.75	1.02	4.38	26.42	7.01	0.00	0.00	0.00	0.00	0.00	100.00
4	28.76	2.19	9.64	8.32	9.93	8.18	32.99	0.00	0.00	0.00	0.00	0.00	100.00
5	61.75	9.93	3.94	4.67	5.69	5.26	8.61	0.15	0.00	0.00	0.00	0.00	100.00
6	51.68	12.12	5.40	3.07	1.46	2.77	21.17	2.04	0.29	0.00	0.00	0.00	100.00
7	24.38	2.92	4.96	36.50	9.34	1.31	14.74	1.61	2.63	1.61	0.00	0.00	100.00
8	42.34	2.63	2.34	10.51	35.04	0.73	2.19	1.02	0.88	1.31	0.88	0.15	100.00
9	33.14	7.45	3.94	17.52	37.08	0.00	0.15	0.15	0.15	0.15	0.15	0.15	100.00
10	1.02	1.61	1.75	9.64	55.18	7.59	10.07	12.41	0.00	0.00	0.00	0.73	100.00
Total	44.53	5.01	4.51	10.66	17.73	5.23	9.69	1.74	0.39	0.31	0.10	0.10	100.00

Relative increase in after tax weekly family income (%)

Decile	Non-winner	0% - 5%	5% - 10%	30%+	Total
1	82.43	12.13	5.27	0.18	100.00
2	65.13	13.63	21.25	0.00	100.00
3	57.52	5.99	36.50	0.00	100.00
4	28.76	38.10	33.14	0.00	100.00
5	61.75	37.81	0.44	0.00	100.00
6	51.68	48.18	0.15	0.00	100.00
7	24.38	74.45	1.17	0.00	100.00
8	42.34	57.23	0.44	0.00	100.00
9	33.14	66.86	0.00	0.00	100.00
10	1.02	98.98	0.00	0.00	100.00
Total	44.52	45.36	10.10	0.01	100.00

TABLE 83: DISTRIBUTION OF WINNERS BY INCOME DECILES IN 2005/06 UNDER DIFFERENT TAX REFORMS: WORKING AGE HEADS [CONT'D]

V : State in 2005/06. Raise top threshold to $77,500, reduce 42c rate by 2c, reduce taper rates from 70 to 45 (40 to 30 for Sole Parents). No hours restriction for Newstart eligibility.

Decile	Non-winner (%)	Winner (%)	Total
1	87.87	12.13	100.00
2	69.25	30.75	100.00
3	81.75	18.25	100.00
4	79.56	20.44	100.00
5	63.07	36.93	100.00
6	54.89	45.11	100.00
7	41.31	58.69	100.00
8	48.61	51.39	100.00
9	33.87	66.13	100.00
10	1.46	98.54	100.00
Total	55.85	44.15	100.00

Absolute increase in after tax weekly family income (%)

Decile	Non-winner	$0 - $5	$5 - $10	$10 - $15	$15 - $20	$20 - $25	$25 - $30	$30 - $35	$35 - $40	$40 - $45	$45 - $50	$50+	Total
1	87.87	6.33	1.58	1.93	1.23	1.05	0.00	0.00	0.00	0.00	0.00	0.00	100.00
2	69.25	2.50	1.38	2.75	3.13	2.13	3.00	3.75	2.13	2.25	4.13	3.62	100.00
3	81.75	3.80	3.21	3.50	1.61	1.31	0.88	0.88	1.02	0.88	0.29	0.88	100.00
4	79.56	3.21	2.19	1.46	1.02	1.17	0.29	1.02	0.58	0.58	0.00	8.91	100.00
5	63.07	0.88	2.19	3.50	4.23	3.65	3.21	3.65	3.07	2.48	2.34	7.74	100.00
6	54.89	16.50	1.02	1.02	3.07	3.07	3.80	3.21	3.07	1.90	0.58	7.88	100.00
7	41.31	32.70	13.28	6.28	0.88	0.58	0.88	0.44	0.29	0.29	0.29	2.77	100.00
8	48.61	10.07	6.86	6.42	7.74	20.29	0.00	0.00	0.00	0.00	0.00	0.00	100.00
9	33.87	22.19	7.74	5.11	4.82	26.28	0.00	0.00	0.00	0.00	0.00	0.00	100.00
10	1.46	11.09	9.49	5.11	5.99	49.78	5.69	1.90	0.88	1.61	7.01	0.00	100.00
Total	55.85	10.86	4.89	3.72	3.40	10.95	1.83	1.55	1.14	1.04	1.53	3.24	100.00

Relative increase in after tax weekly family income (%)

Decile	Non-winner	0% - 5%	5% - 10%	10% - 15%	15% - 20%	20% - 25%	30%+	Total
1	87.70	7.91	2.81	1.41	0.00	0.00	0.18	100.00
2	69.25	6.00	8.63	8.63	6.88	0.63	0.00	100.00
3	81.75	11.97	4.23	1.61	0.44	0.00	0.00	100.00
4	79.56	9.05	2.63	3.21	5.26	0.29	0.00	100.00
5	63.07	17.81	13.72	3.50	1.61	0.29	0.00	100.00
6	54.89	30.51	12.12	2.34	0.15	0.00	0.00	100.00
7	41.31	55.18	3.21	0.29	0.00	0.00	0.00	100.00
8	48.61	51.39	0.00	0.00	0.00	0.00	0.00	100.00
9	33.87	66.13	0.00	0.00	0.00	0.00	0.00	100.00
10	1.46	98.54	0.00	0.00	0.00	0.00	0.00	100.00
Total	55.83	35.42	4.83	2.22	1.55	0.13	0.01	100.00

TABLE 84: DISTRIBUTION OF WINNERS BY INCOME DECILES IN 2005/06 UNDER DIFFERENT TAX REFORMS: WORKING AGE HEADS [CONT'D]

VI : State in 2005/06. Raise top two thresholds by CPI, reduce taper rates from 70 to 45 (40 to 30 for Sole Parents). No hours restriction for Newstart eligibility.

Decile	Non-winner (%)	Winner (%)	Total
1	87.87	12.13	100.00
2	69.25	30.75	100.00
3	81.75	18.25	100.00
4	79.56	20.44	100.00
5	63.07	36.93	100.00
6	54.89	45.11	100.00
7	41.31	58.69	100.00
8	48.61	51.39	100.00
9	33.87	66.13	100.00
10	1.46	98.54	100.00
Total	55.85	44.15	100.00

Absolute increase in after tax weekly family income (%)

Decile	Non-winner	$0 - $5	$5 - $10	$10 - $15	$15 - $20	$20 - $25	$25 - $30	$30 - $35	$35 - $40	$40 - $45	$45 - $50	$50+	Total
1	87.87	6.33	1.58	1.93	1.23	1.05	0.00	0.00	0.00	0.00	0.00	0.00	100.00
2	69.25	2.50	1.38	2.75	3.13	2.13	3.00	3.75	2.13	2.25	4.13	3.62	100.00
3	81.75	3.80	3.21	3.50	1.61	1.31	0.88	0.88	1.02	0.88	0.29	0.88	100.00
4	79.56	3.21	2.19	1.46	1.02	1.17	0.29	1.02	0.58	0.58	0.00	8.91	100.00
5	63.07	0.88	2.19	3.50	4.23	3.65	3.21	3.65	3.07	2.48	2.34	7.74	100.00
6	54.89	12.55	4.96	1.02	3.07	3.07	3.80	3.21	3.07	1.90	0.58	7.88	100.00
7	41.31	5.40	4.09	35.91	7.74	0.58	0.88	0.44	0.29	0.29	0.29	2.77	100.00
8	48.61	2.04	1.61	12.85	34.74	0.15	0.00	0.00	0.00	0.00	0.00	0.00	100.00
9	33.87	7.45	3.94	17.66	37.08	0.00	0.00	0.00	0.00	0.00	0.00	0.00	100.00
10	1.46	1.61	1.75	9.78	55.33	7.74	9.93	12.41	0.00	0.00	0.00	0.00	100.00
Total	55.85	4.51	2.69	9.05	14.95	2.10	2.25	2.60	1.05	0.88	0.83	3.24	100.00

Relative increase in after tax weekly family income (%)

Decile	Non-winner	0% - 5%	5% - 10%	10% - 15%	15% - 20%	20% - 25%	30%+	Total
1	87.70	7.91	2.81	1.41	0.00	0.00	0.18	100.00
2	69.25	6.00	8.63	8.63	6.88	0.63	0.00	100.00
3	81.75	11.97	4.23	1.61	0.44	0.00	0.00	100.00
4	79.56	9.05	2.63	3.21	5.26	0.29	0.00	100.00
5	63.07	17.81	13.72	3.50	1.61	0.29	0.00	100.00
6	54.89	30.51	12.12	2.34	0.15	0.00	0.00	100.00
7	41.31	55.18	3.21	0.29	0.00	0.00	0.00	100.00
8	48.61	51.39	0.00	0.00	0.00	0.00	0.00	100.00
9	33.87	66.13	0.00	0.00	0.00	0.00	0.00	100.00
10	1.46	98.54	0.00	0.00	0.00	0.00	0.00	100.00
Total	55.83	35.42	4.83	2.22	1.55	0.13	0.01	100.00

TABLE 85: DISTRIBUTION OF WINNERS BY INCOME DECILES IN 2005/06 UNDER DIFFERENT TAX REFORMS: WORKING AGE HEADS [CONT'D]

II : State in 2005/06 in case of straight up CPI indexing of tax thresholds

Decile	Non-winner (%)	Winner (%)	Total
1	84.01	15.99	100.00
2	59.88	40.13	100.00
3	49.05	50.95	100.00
4	21.75	78.25	100.00
5	9.49	90.51	100.00
6	1.75	98.25	100.00
7	0.29	99.71	100.00
8	0.00	100.00	100.00
9	0.00	100.00	100.00
10	0.00	100.00	100.00
Total	22.21	77.79	100.00

Absolute increase in after tax weekly family income (%)

Decile	Non-winner	$0 - $5	$5 - $10	$10 - $15	$15 - $20	$20 - $25	$25 - $30	$30 - $35	$35 - $40	$40 - $45	Total
1	84.01	15.99	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	100.00
2	59.88	40.13	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	100.00
3	49.05	8.18	42.77	0.00	0.00	0.00	0.00	0.00	0.00	0.00	100.00
4	21.75	7.45	70.80	0.00	0.00	0.00	0.00	0.00	0.00	0.00	100.00
5	9.49	14.01	76.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	100.00
6	1.75	5.40	87.74	5.11	0.00	0.00	0.00	0.00	0.00	0.00	100.00
7	0.29	0.73	43.21	12.41	35.18	8.18	0.00	0.00	0.00	0.00	100.00
8	0.00	0.00	14.16	37.81	11.97	36.06	0.00	0.00	0.00	0.00	100.00
9	0.00	0.00	1.17	40.29	5.69	43.94	8.91	0.00	0.00	0.00	100.00
10	0.00	0.00	0.00	3.07	1.61	27.74	37.23	7.59	9.93	12.85	100.00
Total	22.21	9.59	33.64	9.87	5.45	11.59	4.61	0.76	0.99	1.28	100.00

Relative increase in after tax weekly family income (%)

Decile	Non-winner	0% - 5%	30%+	Total
1	83.83	15.99	0.18	100.00
2	59.88	40.13	0.00	100.00
3	49.05	50.95	0.00	100.00
4	21.75	78.25	0.00	100.00
5	9.49	90.51	0.00	100.00
6	1.75	98.25	0.00	100.00
7	0.29	99.71	0.00	100.00
8	0.00	100.00	0.00	100.00
9	0.00	100.00	0.00	100.00
10	0.00	100.00	0.00	100.00
Total	22.19	77.79	0.01	100.00

VII : State in 2005/06. Raise top threshold to $77,500, reduce 42c rate by 2c, reduce taper rates from 70 to 45 (40 to 30 for Sole Parents). Eligible for Newstart only if working less than 30 hours

Decile	Non-winner (%)	Winner (%)	Total
1	88.40	11.60	100.00
2	73.88	26.13	100.00
3	87.59	12.41	100.00
4	81.02	18.98	100.00
5	64.67	35.33	100.00
6	55.33	44.67	100.00
7	42.04	57.96	100.00
8	48.76	51.24	100.00
9	33.87	66.13	100.00
10	1.46	98.54	100.00
Total	57.45	42.55	100.00

Absolute increase in after tax weekly family income (%)

Decile	Non-winner	$0 - $5	$5 - $10	$10 - $15	$15 - $20	$20 - $25	$25 - $30	$30 - $35	$35 - $40	$40 - $45	$45 - $50	$50+	Total
1	88.40	5.45	1.05	2.11	1.76	1.05	0.00	0.00	0.18	0.00	0.00	0.00	100.00
2	73.88	2.50	1.25	2.63	2.75	1.88	2.75	3.00	1.75	1.75	3.00	2.88	100.00
3	87.59	3.07	1.31	2.04	1.31	0.73	0.88	0.73	0.73	0.44	0.29	0.88	100.00
4	81.02	3.07	2.19	1.46	1.17	0.88	0.29	0.88	0.58	0.58	0.00	7.88	100.00
5	64.67	1.02	2.48	3.94	4.09	3.50	2.92	3.07	2.77	2.19	2.04	7.30	100.00
6	55.33	16.64	1.17	1.02	2.92	3.21	3.80	3.21	3.07	1.90	0.29	7.45	100.00
7	42.04	32.70	13.14	6.28	0.73	0.58	0.88	0.29	0.15	0.29	0.29	2.63	100.00
8	48.76	10.07	6.86	6.28	7.74	20.29	0.00	0.00	0.00	0.00	0.00	0.00	100.00
9	33.87	22.19	7.74	5.11	4.82	26.28	0.00	0.00	0.00	0.00	0.00	0.00	100.00
10	1.46	11.09	9.49	5.11	5.99	49.78	5.69	1.90	0.88	1.61	7.01	0.00	100.00
Total	57.45	10.73	4.67	3.61	3.34	10.83	1.77	1.36	1.04	0.91	1.34	2.95	100.00

Relative increase in after tax weekly family income (%)

Decile	Non-winner	0% - 5%	5% - 10%	10% - 15%	15% - 20%	20% - 25%	25% - 30%	30%+	Total
1	88.22	6.50	2.99	1.93	0.00	0.00	0.18	0.18	100.00
2	73.88	5.63	7.50	7.50	5.00	0.50	0.00	0.00	100.00
3	87.59	7.59	3.21	1.17	0.44	0.00	0.00	0.00	100.00
4	81.02	8.76	2.48	2.92	4.53	0.29	0.00	0.00	100.00
5	64.67	18.25	11.97	3.21	1.61	0.29	0.00	0.00	100.00
6	55.33	30.80	11.68	2.04	0.15	0.00	0.00	0.00	100.00
7	42.04	54.60	3.07	0.29	0.00	0.00	0.00	0.00	100.00
8	48.76	51.24	0.00	0.00	0.00	0.00	0.00	0.00	100.00
9	33.87	66.13	0.00	0.00	0.00	0.00	0.00	0.00	100.00
10	1.46	98.54	0.00	0.00	0.00	0.00	0.00	0.00	100.00
Total	57.44	34.79	4.37	2.00	1.26	0.12	0.01	0.01	100.00

VIII : State in 2005/06. Raise top two thresholds by CPI, reduce taper rates from 70 to 45 (40 to 30 for Sole Parents). Eligible for Newstart only if working less than 30 hours

Decile	Non-winner (%)	Winner (%)	Total
1	88.40	11.60	100.00
2	73.88	26.13	100.00
3	87.59	12.41	100.00
4	81.02	18.98	100.00
5	64.67	35.33	100.00
6	55.33	44.67	100.00
7	42.04	57.96	100.00
8	48.76	51.24	100.00
9	33.87	66.13	100.00
10	1.46	98.54	100.00
Total	57.45	42.55	100.00

Absolute increase in after tax weekly family income (%)

Decile	Non-winner	$0 - $5	$5 - $10	$10 - $15	$15 - $20	$20 - $25	$25 - $30	$30 - $35	$35 - $40	$40 - $45	$45 - $50	$50+	Total
1	88.40	5.45	1.05	2.11	1.76	1.05	0.00	0.00	0.18	0.00	0.00	0.00	100.00
2	73.88	2.50	1.25	2.63	2.75	1.88	2.75	3.00	1.75	1.75	3.00	2.88	100.00
3	87.59	3.07	1.31	2.04	1.31	0.73	0.88	0.73	0.73	0.44	0.29	0.88	100.00
4	81.02	3.07	2.19	1.46	1.17	0.88	0.29	0.88	0.58	0.58	0.00	7.88	100.00
5	64.67	1.02	2.48	3.94	4.09	3.50	2.92	3.07	2.77	2.19	2.04	7.30	100.00
6	55.33	12.70	5.11	1.02	2.92	3.21	3.80	3.21	3.07	1.90	0.29	7.45	100.00
7	42.04	5.40	3.94	35.91	7.59	0.58	0.88	0.29	0.15	0.29	0.29	2.63	100.00
8	48.76	2.04	1.61	12.70	34.74	0.15	0.00	0.00	0.00	0.00	0.00	0.00	100.00
9	33.87	7.45	3.94	17.66	37.08	0.00	0.00	0.00	0.00	0.00	0.00	0.00	100.00
10	1.46	1.61	1.75	9.78	55.33	7.74	9.93	12.41	0.00	0.00	0.00	0.00	100.00
Total	57.45	4.38	2.47	8.94	14.89	1.99	2.19	2.41	0.95	0.74	0.64	2.95	100.00

Relative increase in after tax weekly family income (%)

Decile	Non-winner	0% - 5%	5% - 10%	10% - 15%	15% - 20%	20% - 25%	25% - 30%	30%+	Total
1	88.22	6.50	2.99	1.93	0.00	0.00	0.18	0.18	100.00
2	73.88	5.63	7.50	7.50	5.00	0.50	0.00	0.00	100.00
3	87.59	7.59	3.21	1.17	0.44	0.00	0.00	0.00	100.00
4	81.02	8.76	2.48	2.92	4.53	0.29	0.00	0.00	100.00
5	64.67	18.25	11.97	3.21	1.61	0.29	0.00	0.00	100.00
6	55.33	30.80	11.68	2.04	0.15	0.00	0.00	0.00	100.00
7	42.04	54.60	3.07	0.29	0.00	0.00	0.00	0.00	100.00
8	48.76	51.24	0.00	0.00	0.00	0.00	0.00	0.00	100.00
9	33.87	66.13	0.00	0.00	0.00	0.00	0.00	0.00	100.00
10	1.46	98.54	0.00	0.00	0.00	0.00	0.00	0.00	100.00
Total	57.44	34.79	4.37	2.00	1.26	0.12	0.01	0.01	100.00

TABLE 88: MEAN AND MEDIAN GAIN BY INCOME DECILES IN 2005/06 UNDER DIFFERENT TAX REFORMS: WORKING AGE HEADS

MEDIAN GAIN IN AFTER TAX FAMILY INCOME (CONDITIONAL ON BEING A WINNER)

DECILE	(III)	(IV)	(V)	(VI)	(II)	(VII)	(VIII)
1	6.57	6.57	4.76	4.76	2.5	6.7	6.7
2	14.49	14.49	31.16	31.16	2.5	28.48	28.48
3	22.46	22.46	13.67	13.67	5.37	14.87	14.87
4	23.36	23.36	34.46	34.46	5.37	33.42	33.42
5	15.43	15.43	30.64	30.64	5.37	28.88	28.88
6	24.12	24.12	21.85	21.85	5.37	20.82	20.82
7	7.36	13.37	3.69	11.04	10.75	3.64	11.04
8	19.6	16.1	17.12	16.1	10.75	17.17	16.1
9	13.85	16.1	13.32	16.1	21.48	13.32	16.1
10	23.19	16.1	23.19	16.1	26.85	23.19	16.1

MEAN GAIN IN AFTER TAX FAMILY INCOME (CONDITIONAL ON BEING A WINNER)

DECILE	(III)	(IV)	(V)	(VI)	(II)	(VII)	(VIII)
1	6.62	6.62	7.37	7.37	2.43	8.78	8.78
2	13.18	13.18	30.65	30.65	2.54	29.16	29.16
3	20.96	20.96	18.25	18.25	4.98	19.62	19.62
4	20.41	20.41	42.72	42.72	5.09	41.01	41.01
5	14.97	14.97	35.69	35.69	5.02	34.79	34.79
6	17.11	18.03	24.75	25.74	5.99	24.05	25.05
7	12.83	17.18	9.26	14.86	12.15	8.96	14.64
8	17.17	16.85	14.69	14.34	15.05	14.69	14.34
9	13.21	13.25	12.86	12.89	17.73	12.86	12.89
10	21.23	19.36	20.89	19.01	28.58	20.89	19.01

II State in 2005/06 in case of straight up CPI indexing of tax thresholds

III State in 2005/06. Raise top threshold to $77,500, reduce 42c rate by 2c, and introduce EITC

IV State in 2005/06. Index top two thresholds by CPI combined with EITC

V State in 2005/06. Raise top threshold to $77,500, reduce 42c rate by 2c, reduce taper rates from 70 to 45 (40 to 30 for Sole Parents). No hours restriction for Newstart eligibility

VI State in 2005/06. Raise top two thresholds by CPI, reduce taper rates from 70 to 45 (40 to 30 for Sole Parents). No hours restriction for Newstart eligibility

VII State in 2005/06. Raise top threshold to $77,500, reduce 42c rate by 2c, reduce taper rates from 70 to 45 (40 to 30 for Sole Parents). Eligible for Newstart only if working less than 30 hours

VIII State in 2005/06. Raise top two threshold by CPI, reduce taper rates from 70 to 45 (40 to 30 for Sole Parents). Eligible for Newstart only if working less than 30 hours

TABLE 89: WITHIN CATEGORY DISTRIBUTION OF FAMILY TYPE FOR WINNERS UNDER THE TAX REFORM: WORKING AGE HEADS

III : Raise top threshold to $77,500, reduce 42c rate by 2c, and introduce EITC

	Non-Winners	0 to 5% Winners	5 to 10% winners
Decile 1			
Couple [no dependent children]	2%	0%	0%
Single Female	34%	59%	30%
Single Male	60%	41%	70%
Couple with dependent children	0%	0%	0%
Sole Parent	3%	0%	0%
Decile 2			
Couple [no dependent children]	11%	0%	0%
Single Female	41%	50%	49%
Single Male	36%	45%	48%
Couple with dependent children	3%	0%	0%
Sole Parent	9%	6%	4%
Decile 3			
Couple [no dependent children]	34%	34%	1%
Single Female	5%	20%	48%
Single Male	10%	15%	50%
Couple with dependent children	10%	15%	0%
Sole Parent	41%	17%	1%
Decile 4			
Couple [no dependent children]	21%	14%	9%
Single Female	6%	36%	41%
Single Male	11%	31%	46%
Couple with dependent children	30%	8%	3%
Sole Parent	31%	11%	1%
Decile 5			
Couple [no dependent children]	11%	21%	-
Single Female	27%	12%	-
Single Male	41%	12%	-
Couple with dependent children	12%	31%	-
Sole Parent	8%	24%	-
Decile 6			
Couple [no dependent children]	27%	4%	-
Single Female	24%	8%	-
Single Male	32%	23%	-
Couple with dependent children	13%	48%	-
Sole Parent	4%	17%	-
Decile 7			
Couple [no dependent children]	61%	9%	-
Single Female	1%	18%	-
Single Male	1%	29%	-
Couple with dependent children	34%	34%	-
Sole Parent	4%	10%	-
Decile 8			
Couple [no dependent children]	52%	16%	-
Single Female	0%	8%	-
Single Male	0%	21%	-
Couple with dependent children	48%	48%	-
Sole Parent	0%	6%	-
Decile 9			
Couple [no dependent children]	53%	33%	-
Single Female	0%	2%	-
Single Male	0%	5%	-
Couple with dependent children	47%	59%	-
Sole Parent	0%	2%	-
Decile 10			
Couple [no dependent children]	-	42%	-
Single Female	-	1%	-
Single Male	-	3%	-
Couple with dependent children	-	54%	-
Sole Parent	-	0%	-

The gain ("win") is increased net unit income expressed as a percentage

TABLE 90: WITHIN CATEGORY DISTRIBUTION OF FAMILY TYPE FOR WINNERS UNDER THE TAX REFORM: WORKING AGE HEADS [CONT'D]

IV : Index top two thresholds by CPI combined with EITC

	Non-Winners	0 to 5% Winners	5 to 10% winners
Decile 1			
Couple [no dependent children]	2%	0%	0%
Single Female	34%	59%	30%
Single Male	60%	41%	70%
Couple with dependent children	0%	0%	0%
Sole Parent	3%	0%	0%
Decile 2			
Couple [no dependent children]	11%	0%	0%
Single Female	41%	50%	49%
Single Male	36%	45%	48%
Couple with dependent children	3%	0%	0%
Sole Parent	9%	6%	4%
Decile 3			
Couple [no dependent children]	34%	34%	1%
Single Female	5%	20%	48%
Single Male	10%	15%	50%
Couple with dependent children	10%	15%	0%
Sole Parent	41%	17%	1%
Decile 4			
Couple [no dependent children]	21%	14%	9%
Single Female	6%	36%	41%
Single Male	11%	31%	46%
Couple with dependent children	30%	8%	3%
Sole Parent	31%	11%	1%
Decile 5			
Couple [no dependent children]	11%	21%	-
Single Female	27%	12%	-
Single Male	41%	12%	-
Couple with dependent children	12%	31%	-
Sole Parent	8%	24%	-
Decile 6			
Couple [no dependent children]	27%	4%	-
Single Female	24%	8%	-
Single Male	32%	23%	-
Couple with dependent children	13%	48%	-
Sole Parent	4%	17%	-
Decile 7			
Couple [no dependent children]	61%	9%	-
Single Female	1%	18%	-
Single Male	1%	29%	-
Couple with dependent children	34%	34%	-
Sole Parent	4%	10%	-
Decile 8			
Couple [no dependent children]	52%	16%	-
Single Female	0%	8%	-
Single Male	0%	21%	-
Couple with dependent children	48%	48%	-
Sole Parent	0%	6%	-
Decile 9			
Couple [no dependent children]	53%	33%	-
Single Female	0%	2%	-
Single Male	0%	5%	-
Couple with dependent children	47%	59%	-
Sole Parent	0%	2%	-
Decile 10			
Couple [no dependent children]	-	42%	-
Single Female	-	1%	-
Single Male	-	3%	-
Couple with dependent children	-	54%	-
Sole Parent	-	0%	-

The gain ("win") is increased net unit income expressed as a percentage

TABLE 91: WITHIN CATEGORY DISTRIBUTION OF FAMILY TYPE FOR WINNERS UNDER THE TAX REFORM: WORKING AGE HEADS [CONT'D]

V : Raise top threshold to $77,500, reduce 42c rate by 2c, reduce taper rates from 70 to 45 (40 to 30 for Sole Parents)
No hours restriction for Newstart eligibility

	Non-Winners	0 to 5% Winners	5 to 10% winners	10 to 15% winners	15 to 20% winners
Decile 1					
Couple [no dependent children]	2%	0%	0%	-	-
Single Female	35%	49%	50%	-	-
Single Male	60%	51%	50%	-	-
Couple with dependent children	0%	0%	0%	-	-
Sole Parent	3%	0%	0%	-	-
Decile 2					
Couple [no dependent children]	8%	15%	3%	1%	0%
Single Female	44%	42%	38%	46%	45%
Single Male	37%	38%	54%	46%	47%
Couple with dependent children	2%	2%	0%	0%	0%
Sole Parent	8%	4%	6%	6%	7%
Decile 3					
Couple [no dependent children]	21%	22%	34%	27%	-
Single Female	20%	33%	24%	36%	-
Single Male	24%	35%	21%	36%	-
Couple with dependent children	7%	5%	14%	0%	-
Sole Parent	29%	5%	7%	0%	-
Decile 4					
Couple [no dependent children]	3%	37%	50%	100%	81%
Single Female	36%	2%	0%	0%	0%
Single Male	38%	0%	0%	0%	0%
Couple with dependent children	10%	26%	44%	0%	19%
Sole Parent	13%	35%	6%	0%	0%
Decile 5					
Couple [no dependent children]	4%	21%	44%	58%	18%
Single Female	34%	0%	0%	0%	0%
Single Male	48%	0%	0%	0%	0%
Couple with dependent children	7%	36%	43%	42%	82%
Sole Parent	7%	43%	14%	0%	0%
Decile 6					
Couple [no dependent children]	19%	14%	4%	19%	-
Single Female	23%	13%	0%	0%	-
Single Male	31%	35%	0%	0%	-
Couple with dependent children	24%	26%	57%	81%	-
Sole Parent	3%	11%	40%	0%	-
Decile 7					
Couple [no dependent children]	35%	13%	5%	-	-
Single Female	1%	24%	0%	-	-
Single Male	1%	39%	0%	-	-
Couple with dependent children	58%	16%	50%	-	-
Sole Parent	5%	8%	45%	-	-
Decile 8					
Couple [no dependent children]	46%	18%	-	-	-
Single Female	0%	9%	-	-	-
Single Male	0%	23%	-	-	-
Couple with dependent children	54%	43%	-	-	-
Sole Parent	1%	7%	-	-	-
Decile 9					
Couple [no dependent children]	53%	33%	-	-	-
Single Female	0%	2%	-	-	-
Single Male	0%	5%	-	-	-
Couple with dependent children	47%	58%	-	-	-
Sole Parent	0%	2%	-	-	-
Decile 10					
Couple [no dependent children]	40%	42%	-	-	-
Single Female	0%	1%	-	-	-
Single Male	0%	3%	-	-	-
Couple with dependent children	60%	54%	-	-	-
Sole Parent	0%	0%	-	-	-

The gain ("win") is increased net unit income expressed as a percentage

TABLE 92: WITHIN CATEGORY DISTRIBUTION OF FAMILY TYPE FOR WINNERS UNDER THE TAX REFORM: WORKING AGE HEADS [CONT'D]

VI : Raise top two threshold by CPI, reduce taper rates from 70 to 45 (40 to 30 for Sole Parents)
No hours restriction for Newstart eligibility

	Non-Winners	0 to 5% Winners	5 to 10% winners	10 to 15% winners	15 to 20% winners
Decile 1					
Couple [no dependent children]	2%	0%	0%	-	-
Single Female	35%	49%	50%	-	-
Single Male	60%	51%	50%	-	-
Couple with dependent children	0%	0%	0%	-	-
Sole Parent	3%	0%	0%	-	-
Decile 2					
Couple [no dependent children]	8%	15%	3%	1%	0%
Single Female	44%	42%	38%	46%	45%
Single Male	37%	38%	54%	46%	47%
Couple with dependent children	2%	2%	0%	0%	0%
Sole Parent	8%	4%	6%	6%	7%
Decile 3					
Couple [no dependent children]	21%	22%	34%	27%	-
Single Female	20%	33%	24%	36%	-
Single Male	24%	35%	21%	36%	-
Couple with dependent children	7%	5%	14%	0%	-
Sole Parent	29%	5%	7%	0%	-
Decile 4					
Couple [no dependent children]	3%	37%	50%	100%	81%
Single Female	36%	2%	0%	0%	0%
Single Male	38%	0%	0%	0%	0%
Couple with dependent children	10%	26%	44%	0%	19%
Sole Parent	13%	35%	6%	0%	0%
Decile 5					
Couple [no dependent children]	4%	21%	44%	58%	18%
Single Female	34%	0%	0%	0%	0%
Single Male	48%	0%	0%	0%	0%
Couple with dependent children	7%	36%	43%	42%	82%
Sole Parent	7%	43%	14%	0%	0%
Decile 6					
Couple [no dependent children]	19%	14%	4%	19%	-
Single Female	23%	13%	0%	0%	-
Single Male	31%	35%	0%	0%	-
Couple with dependent children	24%	26%	57%	81%	-
Sole Parent	3%	11%	40%	0%	-
Decile 7					
Couple [no dependent children]	35%	13%	5%	-	-
Single Female	1%	24%	0%	-	-
Single Male	1%	39%	0%	-	-
Couple with dependent children	58%	16%	50%	-	-
Sole Parent	5%	8%	45%	-	-
Decile 8					
Couple [no dependent children]	46%	18%	-	-	-
Single Female	0%	9%	-	-	-
Single Male	0%	23%	-	-	-
Couple with dependent children	54%	43%	-	-	-
Sole Parent	1%	7%	-	-	-
Decile 9					
Couple [no dependent children]	53%	33%	-	-	-
Single Female	0%	2%	-	-	-
Single Male	0%	5%	-	-	-
Couple with dependent children	47%	58%	-	-	-
Sole Parent	0%	2%	-	-	-
Decile 10					
Couple [no dependent children]	40%	42%	-	-	-
Single Female	0%	1%	-	-	-
Single Male	0%	3%	-	-	-
Couple with dependent children	60%	54%	-	-	-
Sole Parent	0%	0%	-	-	-

The gain ("win") is increased net unit income expressed as a percentage

TABLE 93: WITHIN CATEGORY DISTRIBUTION OF FAMILY TYPE FOR WINNERS UNDER DIFFERENT TAX REFORM PROPOSALS

Index top two thresholds by CPI combined with EITC

	Non-Winners	0 to 5% Winners	5 to 10% winners
Decile 1			
Couple [no dependent children]	2%	0%	0%
Single Female	34%	59%	30%
Single Male	60%	41%	70%
Couple with dependent children	0%	0%	0%
Sole Parent	3%	0%	0%
Decile 2			
Couple [no dependent children]	11%	0%	0%
Single Female	41%	50%	49%
Single Male	36%	45%	48%
Couple with dependent children	3%	0%	0%
Sole Parent	9%	6%	4%
Decile 3			
Couple [no dependent children]	34%	34%	1%
Single Female	5%	20%	48%
Single Male	10%	15%	50%
Couple with dependent children	10%	15%	0%
Sole Parent	41%	17%	1%
Decile 4			
Couple [no dependent children]	21%	14%	9%
Single Female	6%	36%	41%
Single Male	11%	31%	46%
Couple with dependent children	30%	8%	3%
Sole Parent	31%	11%	1%
Decile 5			
Couple [no dependent children]	11%	21%	-
Single Female	27%	12%	-
Single Male	41%	12%	-
Couple with dependent children	12%	31%	-
Sole Parent	8%	24%	-
Decile 6			
Couple [no dependent children]	27%	4%	-
Single Female	24%	8%	-
Single Male	32%	23%	-
Couple with dependent children	13%	48%	-
Sole Parent	4%	17%	-
Decile 7			
Couple [no dependent children]	61%	9%	-
Single Female	1%	18%	-
Single Male	1%	29%	-
Couple with dependent children	34%	34%	-
Sole Parent	4%	10%	-
Decile 8			
Couple [no dependent children]	52%	16%	-
Single Female	0%	8%	-
Single Male	0%	21%	-
Couple with dependent children	48%	48%	-
Sole Parent	0%	6%	-
Decile 9			
Couple [no dependent children]	53%	33%	-
Single Female	0%	2%	-
Single Male	0%	5%	-
Couple with dependent children	47%	59%	-
Sole Parent	0%	2%	-
Decile 10			
Couple [no dependent children]	-	42%	-
Single Female	-	1%	-
Single Male	-	3%	-
Couple with dependent children	-	54%	-
Sole Parent	-	0%	-

The gain ("win") is increased net unit income expressed as a percentage

TABLE 93b: WITHIN CATEGORY DISTRIBUTION OF FAMILY TYPE FOR WINNERS UNDER DIFFERENT TAX REFORM PROPOSALS [CONT'D]

Raise top threshold to $77,500, reduce 42c rate by 2c, and introduce EITC

	Non-Winners	0 to 5% Winners	5 to 10% winners
Decile 1			
Couple [no dependent children]	2%	0%	0%
Single Female	34%	59%	30%
Single Male	60%	41%	70%
Couple with dependent children	0%	0%	0%
Sole Parent	3%	0%	0%
Decile 2			
Couple [no dependent children]	11%	0%	0%
Single Female	41%	50%	49%
Single Male	36%	45%	48%
Couple with dependent children	3%	0%	0%
Sole Parent	9%	6%	4%
Decile 3			
Couple [no dependent children]	34%	34%	1%
Single Female	5%	20%	48%
Single Male	10%	15%	50%
Couple with dependent children	10%	15%	0%
Sole Parent	41%	17%	1%
Decile 4			
Couple [no dependent children]	21%	14%	9%
Single Female	6%	36%	41%
Single Male	11%	31%	46%
Couple with dependent children	30%	8%	3%
Sole Parent	31%	11%	1%
Decile 5			
Couple [no dependent children]	11%	21%	-
Single Female	27%	12%	-
Single Male	41%	12%	-
Couple with dependent children	12%	31%	-
Sole Parent	8%	24%	-
Decile 6			
Couple [no dependent children]	27%	4%	-
Single Female	24%	8%	-
Single Male	32%	23%	-
Couple with dependent children	13%	48%	-
Sole Parent	4%	17%	-
Decile 7			
Couple [no dependent children]	61%	9%	-
Single Female	1%	18%	-
Single Male	1%	29%	-
Couple with dependent children	34%	34%	-
Sole Parent	4%	10%	-
Decile 8			
Couple [no dependent children]	52%	16%	-
Single Female	0%	8%	-
Single Male	0%	21%	-
Couple with dependent children	48%	48%	-
Sole Parent	0%	6%	-
Decile 9			
Couple [no dependent children]	53%	33%	-
Single Female	0%	2%	-
Single Male	0%	5%	-
Couple with dependent children	47%	59%	-
Sole Parent	0%	2%	-
Decile 10			
Couple [no dependent children]	-	42%	-
Single Female	-	1%	-
Single Male	-	3%	-
Couple with dependent children	-	54%	-
Sole Parent	-	0%	-

The gain ("win") is increased net unit income expressed as a percentage

TABLE 93C: WITHIN CATEGORY DISTRIBUTION OF FAMILY TYPE FOR WINNERS UNDER DIFFERENT TAX REFORM PROPOSALS [CONT'D]

Raise top threshold to $77,500, reduce 42c rate by 2c, reduce taper rates from 70 to 45 (40 to 30 for Sole Parents)
No hours restriction for Newstart eligibility

	Non-Winners	0 to 5% Winners	5 to 10% winners	10 to 15% winners	15 to 20% winners
Decile 1					
Couple [no dependent children]	2%	0%	0%	-	-
Single Female	35%	49%	50%	-	-
Single Male	60%	51%	50%	-	-
Couple with dependent children	0%	0%	0%	-	-
Sole Parent	3%	0%	0%	-	-
Decile 2					
Couple [no dependent children]	8%	15%	3%	1%	0%
Single Female	44%	42%	38%	46%	45%
Single Male	37%	38%	54%	46%	47%
Couple with dependent children	2%	2%	0%	0%	0%
Sole Parent	8%	4%	6%	6%	7%
Decile 3					
Couple [no dependent children]	21%	22%	34%	27%	-
Single Female	20%	33%	24%	36%	-
Single Male	24%	35%	21%	36%	-
Couple with dependent children	7%	5%	14%	0%	-
Sole Parent	29%	5%	7%	0%	-
Decile 4					
Couple [no dependent children]	3%	37%	50%	100%	81%
Single Female	36%	2%	0%	0%	0%
Single Male	38%	0%	0%	0%	0%
Couple with dependent children	10%	26%	44%	0%	19%
Sole Parent	13%	35%	6%	0%	0%
Decile 5					
Couple [no dependent children]	4%	21%	44%	58%	18%
Single Female	34%	0%	0%	0%	0%
Single Male	48%	0%	0%	0%	0%
Couple with dependent children	7%	36%	43%	42%	82%
Sole Parent	7%	43%	14%	0%	0%
Decile 6					
Couple [no dependent children]	19%	14%	4%	19%	-
Single Female	23%	13%	0%	0%	-
Single Male	31%	35%	0%	0%	-
Couple with dependent children	24%	26%	57%	81%	-
Sole Parent	3%	11%	40%	0%	-
Decile 7					
Couple [no dependent children]	35%	13%	5%	-	-
Single Female	1%	24%	0%	-	-
Single Male	1%	39%	0%	-	-
Couple with dependent children	58%	16%	50%	-	-
Sole Parent	5%	8%	45%	-	-
Decile 8					
Couple [no dependent children]	46%	18%	-	-	-
Single Female	0%	9%	-	-	-
Single Male	0%	23%	-	-	-
Couple with dependent children	54%	43%	-	-	-
Sole Parent	1%	7%	-	-	-
Decile 9					
Couple [no dependent children]	53%	33%	-	-	-
Single Female	0%	2%	-	-	-
Single Male	0%	5%	-	-	-
Couple with dependent children	47%	58%	-	-	-
Sole Parent	0%	2%	-	-	-
Decile 10					
Couple [no dependent children]	40%	42%	-	-	-
Single Female	0%	1%	-	-	-
Single Male	0%	3%	-	-	-
Couple with dependent children	60%	54%	-	-	-
Sole Parent	0%	0%	-	-	-

The gain ("win") is increased net unit income expressed as a percentage

TABLE 93d: WITHIN CATEGORY DISTRIBUTION OF FAMILY TYPE FOR WINNERS UNDER DIFFERENT TAX REFORM PROPOSALS [CONT'D]

Raise top two threshold by CPI, reduce taper rates from 70 to 45 (40 to 30 for Sole Parents)
No hours restriction for Newstart eligibility

	Non-Winners	0 to 5% Winners	5 to 10% winners	10 to 15% winners	15 to 20% winners
Decile 1					
Couple [no dependent children]	2%	0%	0%	-	-
Single Female	35%	49%	50%	-	-
Single Male	60%	51%	50%	-	-
Couple with dependent children	0%	0%	0%	-	-
Sole Parent	3%	0%	0%	-	-
Decile 2					
Couple [no dependent children]	8%	15%	3%	1%	0%
Single Female	44%	42%	38%	46%	45%
Single Male	37%	38%	54%	46%	47%
Couple with dependent children	2%	2%	0%	0%	0%
Sole Parent	8%	4%	6%	6%	7%
Decile 3					
Couple [no dependent children]	21%	22%	34%	27%	-
Single Female	20%	33%	24%	36%	-
Single Male	24%	35%	21%	36%	-
Couple with dependent children	7%	5%	14%	0%	-
Sole Parent	29%	5%	7%	0%	-
Decile 4					
Couple [no dependent children]	3%	37%	50%	100%	81%
Single Female	36%	2%	0%	0%	0%
Single Male	38%	0%	0%	0%	0%
Couple with dependent children	10%	26%	44%	0%	19%
Sole Parent	13%	35%	6%	0%	0%
Decile 5					
Couple [no dependent children]	4%	21%	44%	58%	18%
Single Female	34%	0%	0%	0%	0%
Single Male	48%	0%	0%	0%	0%
Couple with dependent children	7%	36%	43%	42%	82%
Sole Parent	7%	43%	14%	0%	0%
Decile 6					
Couple [no dependent children]	19%	14%	4%	19%	-
Single Female	23%	13%	0%	0%	-
Single Male	31%	35%	0%	0%	-
Couple with dependent children	24%	26%	57%	81%	-
Sole Parent	3%	11%	40%	0%	-
Decile 7					
Couple [no dependent children]	35%	13%	5%	-	-
Single Female	1%	24%	0%	-	-
Single Male	1%	39%	0%	-	-
Couple with dependent children	58%	16%	50%	-	-
Sole Parent	5%	8%	45%	-	-
Decile 8					
Couple [no dependent children]	46%	18%	-	-	-
Single Female	0%	9%	-	-	-
Single Male	0%	23%	-	-	-
Couple with dependent children	54%	43%	-	-	-
Sole Parent	1%	7%	-	-	-
Decile 9					
Couple [no dependent children]	53%	33%	-	-	-
Single Female	0%	2%	-	-	-
Single Male	0%	5%	-	-	-
Couple with dependent children	47%	58%	-	-	-
Sole Parent	0%	2%	-	-	-
Decile 10					
Couple [no dependent children]	40%	42%	-	-	-
Single Female	0%	1%	-	-	-
Single Male	0%	3%	-	-	-
Couple with dependent children	60%	54%	-	-	-
Sole Parent	0%	0%	-	-	-

The gain ("win") is increased net unit income expressed as a percentage

TABLE 94: GROSS AND NET INCOME PER WEEK FOR HYPOTHETICAL HOUSEHOLDS, WHEN THEY ARE NON-WORKERS, PART-TIME AND FULL-TIME WORKERS (2003/04)

	Sole parent		Low Wage Couple		Medium Wage Couple		High Wage Couple	
	Actual 03/04 tax scheme	under EITC scheme	Actual 03/04 tax scheme	under EITC scheme	Actual 03/04 tax scheme	under EITC scheme	Actual 03/04 tax scheme	under EITC scheme
Number of children < 13	1		2		2		2	
Hourly wage Head	11.8		11.8		24		48	
Hourly wage Partner	-		11.8		18		27	
Non-work family								
Gross family income	0	0	0	0	0	0	0	0
Net family income	422.34	422.34	548.17	548.17	548.17	548.17	548.17	548.17
Head works 20 hours per week								
Gross family income	236	236	236	236	480	480	960	960
Net family income	571.49	583.08	624.56	636.15	694.16	717.74	868.85	898.85
Share of extra income from work family loses when moving from non-work to a single part-time job (by the head)	**37%**	**32%**	**68%**	**63%**	**70%**	**65%**	**67%**	**63%**
Head works 40 hours per week								
Gross family income	472	472	472	472	960	960	1920	1920
Net family income	653.93	677.12	692.48	715.67	868.85	898.85	1298.67	1298.67
Share of extra income from work family loses when the head moves from a part-time to a full time job	**65%**	**60%**	**71%**	**66%**	**64%**	**62%**	**55%**	**58%**
Share of extra income from work family loses when the head moves from non-work to a full time job	**51%**	**46%**	**69%**	**65%**	**67%**	**63%**	**61%**	**61%**
Head works 40 hours per week and partner takes up a part-time job (20 hrs)								
Gross family income			708	708	1320	1320	2460	2460
Net family income			775.28	810.06	1089.23	1089.23	1663.85	1663.85
Share of extra income the family loses when the spouse takes up a part time job			**65%**	**60%**	**39%**	**47%**	**32%**	**32%**
Both head and spouse work 40 hours per week								
Gross family income			944	944	1680	1680	3000	3000
Net family income			885.92	932.3	1328.48	1328.48	2016.33	2016.33
Share of extra income the family loses when the spouse moves from a part time to a full-time job			**53%**	**48%**	**34%**	**34%**	**35%**	**35%**
Share of extra income the family loses when the spouse moves from non-work to full-time work			**59%**	**54%**	**36%**	**40%**	**34%**	**34%**

Upfront costs under 2003/04 implementation	2,533.2 bn
Ex-post costs after labour supply effects	1,858.7 bn

TABLE 94a: GROSS AND NET INCOME PER WEEK FOR HYPOTHETICAL HOUSEHOLDS, AT ZERO, 20 AND 40 HOURS (see Table 77 for legend): LOW WAGE SINGLE PARENT

Gross and net income per week for the hypothetical households, when they are non-workers, part-time and full-time workers

	Sole parent	Sole parent	Sole parent	Sole parent	Sole parent	Sole parent	Sole parent	Sole parent	Sole parent	Sole parent	Sole parent
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)	(X)	(XI)
Number of children < 13	1	1	1	1	1	1	1	1	1	1	1
Hourly wage Head	11.8	11.8	11.8	11.8	11.8	11.8	11.8	11.8	11.8	11.8	11.8
Hourly wage Partner	-	-	-	-	-	-	-	-	-	-	-
Non-work family											
Gross family income	0	0	0	0	0	0	0	0	0	0	0
Net family income	429.36	429.36	429.36	429.36	429.36	429.36	429.36	429.36	429.36	429.36	429.36
Head works 20 hours per week											
Gross family income	236	236	236	236	236	236	236	236	236	236	236
Net family income	580.05	581.37	591.12	591.42	589.79	589.79	589.79	589.79	591.42	589.79	589.79
Share of extra income from work family loses when moving from non-work to a single part-time job (by the head)	**36%**	**36%**	**31%**	**31%**	**32%**	**32%**	**32%**	**32%**	**31%**	**32%**	**32%**
Head works 40 hours per week											
Gross family income	472	472	472	472	472	472	472	472	472	472	472
Net family income	653.52	656.4	676.26	676.26	675.74	675.74	675.74	675.74	676.26	675.74	675.74
Share of extra income from work family loses when the head moves from a part-time to a full time job	**69%**	**68%**	**64%**	**64%**	**64%**	**64%**	**64%**	**64%**	**64%**	**64%**	**64%**
Share of extra income from work family loses when the head moves from non-work to a full time job	**53%**	**52%**	**48%**	**48%**	**48%**	**48%**	**48%**	**48%**	**48%**	**48%**	**48%**
Total Upfront cost ($m)		3,853.8	3,940.0	3,994.0	3,706.0	3,757.9	3,387.6	3,441.8	2,328.9	1,411.7	1,202.0
Total Ex-post costs i.e. after labour supply effects ($m)		2,900.3	2,686.9	2,675.3	3,438.7	3,425.2	3,090.2	3,080.1	1,478.5	1,340.0	1,100.8

TABLE 94b: GROSS AND NET INCOME PER WEEK FOR HYPOTHETICAL HOUSEHOLDS, AT ZERO, 20 AND 40 HOURS (see Table 77 for legend): LOW WAGE COUPLE

Gross and net income per week for the hypothetical households, when they are non-workers, part-time and full-time workers

	Low Wage Couple	Low Wage Couple	Low Wage Couple	Low Wage Couple	Low Wage Couple	Low Wage Couple	Low Wage Couple	Low Wage Couple	Low Wage Couple	Low Wage Couple	Low Wage Couple
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)	(X)	(XI)
Number of children < 13	2	2	2	2	2	2	2	2	2	2	2
Hourly wage Head	11.8	11.8	11.8	11.8	11.8	11.8	11.8	11.8	11.8	11.8	11.8
Hourly wage Partner	11.8	11.8	11.8	11.8	11.8	11.8	11.8	11.8	11.8	11.8	11.8
Non-work family											
Gross family income	0	0	0	0	0	0	0	0	0	0	0
Net family income	549.84	549.84	549.84	549.84	549.84	549.84	549.84	549.84	549.84	549.84	549.84
Head works 20 hours per week											
Gross family income	236	236	236	236	236	236	236	236	236	236	236
Net family income	625.75	628.26	637.12	637.12	663.57	663.57	663.57	663.57	637.12	654.73	654.73
Share of extra income from work family loses when moving from non-work to a single part-time job (by the head)	**68%**	**67%**	**63%**	**63%**	**52%**	**52%**	**52%**	**52%**	**63%**	**56%**	**56%**
Head works 40 hours per week											
Gross family income	472	472	472	472	472	472	472	472	472	472	472
Net family income	692.57	697.94	715.31	715.31	724.6	724.6	724.6	724.6	715.31	719.56	719.56
Share of extra income from work family loses when the head moves from a part-time to a full time job	**72%**	**70%**	**67%**	**67%**	**74%**	**74%**	**74%**	**74%**	**67%**	**73%**	**73%**
Share of extra income from work family loses when the head moves from non-work to a full time job	**70%**	**69%**	**65%**	**65%**	**63%**	**63%**	**63%**	**63%**	**65%**	**64%**	**64%**
Head works 40 hours per week and partner takes up a part-time job (20 hrs)											
Gross family income	708	708	708	708	708	708	708	708	708	708	708
Net family income	780.66	788.54	814.77	814.77	780.66	780.66	780.66	780.66	814.77	780.66	780.66
Share of extra income the family loses when the spouse takes up a part time job	**63%**	**62%**	**58%**	**58%**	**76%**	**76%**	**76%**	**76%**	**58%**	**74%**	**74%**
Both head and spouse work 40 hours per week											
Gross family income	944	944	944	944	944	944	944	944	944	944	944
Net family income	890.55	901.3	936.03	936.03	890.55	890.55	890.55	890.55	936.03	890.55	890.55
Share of extra income the family loses when the spouse moves from a part time to a full-time job	**53%**	**52%**	**49%**	**49%**	**53%**	**53%**	**53%**	**53%**	**49%**	**53%**	**53%**
Share of extra income the family loses when the spouse moves from non-work to full-time work	**58%**	**57%**	**53%**	**53%**	**65%**	**65%**	**65%**	**65%**	**53%**	**64%**	**64%**
Total Upfront cost ($m)		3,853.8	3,940.0	3,994.0	3,706.0	3,757.9	3,387.6	3,441.8	2,328.9	1,411.7	1,202.0
Total Ex-post costs i.e. after labour supply effects ($m)		2,900.3	2,686.9	2,675.3	3,438.7	3,425.2	3,090.2	3,080.1	1,478.5	1,340.0	1,100.8

TABLE 94c: GROSS AND NET INCOME PER WEEK FOR HYPOTHETICAL HOUSEHOLDS, AT ZERO, 20 AND 40 HOURS (see Table 77 for legend): AVG WAGE COUPLE

Gross and net income per week for the hypothetical households, when they are non-workers, part-time and full-time workers

	Avg Wage Couple	Avg Wage Couple	Avg Wage Couple	Avg Wage Couple	Avg Wage Couple	Avg Wage Couple	Avg Wage Couple	Avg Wage Couple	Avg Wage Couple	Avg Wage Couple	Avg Wage Couple
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)	(X)	(XI)
Number of children < 13	2	2	2	2	2	2	2	2	2	2	2
Hourly wage Head	24	24	24	24	24	24	24	24	24	24	24
Hourly wage Partner	18	18	18	18	18	18	18	18	18	18	18
Non-work family											
Gross family income	0	0	0	0	0	0	0	0	0	0	0
Net family income	549.84	549.84	549.84	549.84	549.84	549.84	549.84	549.84	549.84	549.84	549.84
Head works 20 hours per week											
Gross family income	480	480	480	480	480	480	480	480	480	480	480
Net family income	693.18	698.55	716.3	716.3	726.8	726.8	726.8	726.8	716.3	721.55	721.55
Share of extra income from work family loses when moving from non-work to a single part-time job (by the head)	**70%**	**69%**	**65%**	**65%**	**63%**	**63%**	**63%**	**63%**	**65%**	**64%**	**64%**
Head works 40 hours per week											
Gross family income	960	960	960	960	960	960	960	960	960	960	960
Net family income	873.69	882.61	902.99	905.95	874.28	877.23	874.28	877.23	902.4	873.69	873.69
Share of extra income from work family loses when the head moves from a part-time to a full time job	**62%**	**62%**	**61%**	**60%**	**69%**	**69%**	**69%**	**69%**	**61%**	**68%**	**68%**
Share of extra income from work family loses when the head moves from non-work to a full time job	**66%**	**65%**	**63%**	**63%**	**66%**	**66%**	**66%**	**66%**	**63%**	**66%**	**66%**
Head works 40 hours per week and partner takes up a part-time job (20 hrs)											
Gross family income	1320	1320	1320	1320	1320	1320	1320	1320	1320	1320	1320
Net family income	1108.04	1119.46	1108.63	1111.58	1108.63	1111.58	1108.63	1111.58	1108.04	1108.04	1108.04
Share of extra income the family loses when the spouse takes up a part time job	**35%**	**34%**	**43%**	**43%**	**35%**	**35%**	**35%**	**35%**	**43%**	**35%**	**35%**
Both head and spouse work 40 hours per week											
Gross family income	1680	1680	1680	1680	1680	1680	1680	1680	1680	1680	1680
Net family income	1338.17	1352.46	1338.76	1341.71	1338.76	1341.71	1338.76	1341.71	1338.17	1338.17	1338.17
Share of extra income the family loses when the spouse moves from a part time to a full-time job	**36%**	**35%**	**36%**	**36%**	**36%**	**36%**	**36%**	**36%**	**36%**	**36%**	**36%**
Share of extra income the family loses when the spouse moves from non-work to full-time work	**35%**	**35%**	**39%**	**39%**	**35%**	**35%**	**35%**	**35%**	**39%**	**35%**	**35%**
Total Upfront cost ($m)		3,853.8	3,940.0	3,994.0	3,706.0	3,757.9	3,387.6	3,441.8	2,328.9	1,411.7	1,202.0
Total Ex-post costs i.e. after labour supply effects ($m)		2,900.3	2,686.9	2,675.3	3,438.7	3,425.2	3,090.2	3,080.1	1,478.5	1,340.0	1,100.8

TABLE 94d: GROSS AND NET INCOME PER WEEK FOR HYPOTHETICAL HOUSEHOLDS, AT ZERO, 20 AND 40 HOURS (see Table 77 for legend): HIGH WAGE COUPLE

Gross and net income per week for the hypothetical households, when they are non-workers, part-time and full-time workers

	High Wage Couple	High Wage Couple	High Wage Couple	High Wage Couple	High Wage Couple	High Wage Couple	High Wage Couple	High Wage Couple	High Wage Couple	High Wage Couple	High Wage Couple
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)	(X)	(XI)
Number of children < 13	2	2	2	2	2	2	2	2	2	2	2
Hourly wage Head	48	48	48	48	48	48	48	48	48	48	48
Hourly wage Partner	27	27	27	27	27	27	27	27	27	27	27
Non-work family											
Gross family income	0	0	0	0	0	0	0	0	0	0	0
Net family income	549.84	549.84	549.84	549.84	549.84	549.84	549.84	549.84	549.84	549.84	549.84
Head works 20 hours per week											
Gross family income	960	960	960	960	960	960	960	960	960	960	960
Net family income	873.69	882.61	902.99	905.95	874.28	877.23	874.28	877.23	902.4	873.69	873.69
Share of extra income from work family loses when moving from non-work to a single part-time job (by the head)	**66%**	**65%**	**63%**	**63%**	**66%**	**66%**	**66%**	**66%**	**63%**	**66%**	**66%**
Head works 40 hours per week											
Gross family income	1920	1920	1920	1920	1920	1920	1920	1920	1920	1920	1920
Net family income	1295.61	1317.09	1318.8	1311.71	1318.8	1311.71	1318.8	1311.71	1295.61	1295.61	1295.61
Share of extra income from work family loses when the head moves from a part-time to a full time job	**56%**	**55%**	**57%**	**58%**	**54%**	**55%**	**54%**	**55%**	**59%**	**56%**	**56%**
Share of extra income from work family loses when the head moves from non-work to a full time job	**61%**	**60%**	**60%**	**60%**	**60%**	**60%**	**60%**	**60%**	**61%**	**61%**	**61%**
Head works 40 hours per week and partner takes up a part-time job (20 hrs)											
Gross family income	2460	2460	2460	2460	2460	2460	2460	2460	2460	2460	2460
Net family income	1685.13	1711.98	1708.32	1701.23	1708.32	1701.23	1708.32	1701.23	1685.13	1685.13	1685.15
Share of extra income the family loses when the spouse takes up a part time job	**28%**	**27%**	**28%**	**28%**	**28%**	**28%**	**28%**	**28%**	**28%**	**28%**	**28%**
Both head and spouse work 40 hours per week											
Gross family income	3000	3000	3000	3000	3000	3000	3000	3000	3000	3000	3000
Net family income	2040.59	2078.49	2066.84	2067.74	2066.84	2067.74	2066.84	2067.74	2040.59	2040.59	2040.59
Share of extra income the family loses when the spouse moves from a part time to a full-time job	**34%**	**32%**	**34%**	**32%**	**34%**	**32%**	**34%**	**32%**	**34%**	**34%**	**34%**
Share of extra income the family loses when the spouse moves from non-work to full-time work	**31%**	**30%**	**31%**	**30%**	**31%**	**30%**	**31%**	**30%**	**31%**	**31%**	**31%**
Total Upfront cost ($m)		3,853.8	3,940.0	3,994.0	3,706.0	3,757.9	3,387.6	3,441.8	2,328.9	1,411.7	1,202.0
Total Ex-post costs i.e. after labour supply effects ($m)		2,900.3	2,686.9	2,675.3	3,438.7	3,425.2	3,090.2	3,080.1	1,478.5	1,340.0	1,100.8

TABLE 95: COMPARING STRAIGHTFORWARD CPI INDEXING OF THRESHOLDS WITH THE MOST LABOUR SUPPLY GENERATING SCENARIO

		Present system	Indexing top two thresholds + EITC **(IV)**	Straigthforward indexing of thresholds **(II)**
Tax Free Area		0 - 6,000	0 - 6,000	0 - 6,800
Marginal Rates				
17c		6,001 - 21,600	6,001 - 21,600	6,801 - 22,800
30c		21,601 - 52,000	21,601 - 57,000	22,801 - 57,000
42c		52,001 - 62,500	57,001 - 68,000	57,001 - 68,000
47c		62,501 - plus	68,001 - plus	68,001 - plus
Upfront costs			$ 3.99 bn	$ 3.85 bn
Possible Jobs created			85,737	43,997
	partnered men		14,077	7,479
	partnered women		-440	12,318
	single men		21,016	11,092
	single women		19,144	5,507
	single parents		31,939	7,602
Reduction in jobless families (includes singles and couples with or without children)			89,020	32,172
Final costs			$ 2.68 bn	$ 2.90 bn

Based on implementation in 2005/06

Decile	Indexing top two thresholds + EITC (IV) % winners	Average gain if winner (after tax $ per week)	Straigthforward indexing of thresholds (II) % winners	Average gain if winner (after tax $ per week)
1	17.40%	6.62	15.99%	2.43
2	34.88%	13.18	40.13%	2.54
3	42.48%	20.96	50.95%	4.98
4	71.24%	20.41	78.25%	5.09
5	38.25%	14.97	90.51%	5.02
6	48.32%	18.03	98.25%	5.99
7	75.62%	17.18	99.71%	12.15
8	57.66%	16.85	100.00%	15.05
9	66.86%	13.25	100.00%	17.73
10	98.98%	19.36	100.00%	28.58

SYDNEY

TABLE 96: Transition matrix between tax bracket in 2000/01 and 2003/04 (Sydney)

Key
frequency
row percentage

taxbracket _jan01tru	taxbracket_jan04tru 0	.17	.3	.42	.47	Total
0	536,227.1	18,930.13	0	0	0	555,157.2
	96.59	3.41	0.00	0.00	0.00	100.00
.17	4,729.55	1009020.9	22,969.76	0	0	1036720.2
	0.46	97.33	2.22	0.00	0.00	100.00
.3	0	0	1042251.4	71,564.37	0	1113815.8
	0.00	0.00	93.57	6.43	0.00	100.00
.42	0	0	0	102,980.3	83,461.59	186,441.9
	0.00	0.00	0.00	55.23	44.77	100.00
.47	0	0	0	0	323,390.7	323,390.7
	0.00	0.00	0.00	0.00	100.00	100.00
Total	540,956.7	1027951	1065221.2	174,544.7	406,852.3	3215525.8
	16.82	31.97	33.13	5.43	12.65	100.00

TABLE 97: Transition matrix between tax bracket in 2000/01 and 2003/04 had there been no indexing since 2000/01 (Sydney)

taxbracket _jan01tru	taxbracket_jan04niw 0	.17	.3	.42	.47	Total
0	536,227.1	18,930.13	0	0	0	555,157.2
	96.59	3.41	0.00	0.00	0.00	100.00
.17	4,729.55	942,049.5	89,941.13	0	0	1036720.2
	0.46	90.87	8.68	0.00	0.00	100.00
.3	0	0	1009489.2	104,326.6	0	1113815.8
	0.00	0.00	90.63	9.37	0.00	100.00
.42	0	0	0	69,479.6	116,962.3	186,441.9
	0.00	0.00	0.00	37.27	62.73	100.00
.47	0	0	0	0	323,390.7	323,390.7
	0.00	0.00	0.00	0.00	100.00	100.00
Total	540,956.7	960,979.7	1099430.3	173,806.2	440,353	3215525.8
	16.82	29.89	34.19	5.41	13.69	100.00

TABLE 98: Transition matrix between tax bracket in 2000/01 and 2003/04 had there been indexing by CPI since 2000/01 (Sydney)

Key
frequency
row percentage

taxbracket _jan01tru	taxbracket_jan04cpi 0	.17	.3	.42	.47	Total
0	551,139.5	4,017.716	0	0	0	555,157.2
	99.28	0.72	0.00	0.00	0.00	100.00
.17	8,247.683	1016993.9	11,478.66	0	0	1036720.2
	0.80	98.10	1.11	0.00	0.00	100.00
.3	0	0	1076143.1	37,672.68	0	1113815.8
	0.00	0.00	96.62	3.38	0.00	100.00
.42	0	0	0	150,279.5	36,162.39	186,441.9
	0.00	0.00	0.00	80.60	19.40	100.00
.47	0	0	0	0	323,390.7	323,390.7
	0.00	0.00	0.00	0.00	100.00	100.00
Total	559,387.2	1021011.6	1087621.7	187,952.2	359,553.1	3215525.8
	17.40	31.75	33.82	5.85	11.18	100.00

TABLE 99: Transition matrix between tax bracket in 2000/01 and 2003/04 had there been indexing by AWE since 2000/01 (Sydney)

taxbracket _jan01tru	taxbracket_jan04awe 0	.17	.3	.42	.47	Total
0	555,157.2	0	0	0	0	555,157.2
	100.00	0.00	0.00	0.00	0.00	100.00
.17	26,470.83	1010249.4	0	0	0	1036720.2
	2.55	97.45	0.00	0.00	0.00	100.00
.3	0	10,688.68	1099918.8	3,208.26	0	1113815.8
	0.00	0.96	98.75	0.29	0.00	100.00
.42	0	0	19,845.42	164,940	1,656.52	186,441.9
	0.00	0.00	10.64	88.47	0.89	100.00
.47	0	0	0	9,942.633	313,448	323,390.7
	0.00	0.00	0.00	3.07	96.93	100.00
Total	581,628.1	1020938.1	1119764.2	178,090.8	315,104.6	3215525.8
	18.09	31.75	34.82	5.54	9.80	100.00

TABLE 100: Transition matrix between tax bracket in 2000/01 and 2005/06 if there be no further indexing (Sydney)

Key
frequency
row percentage

taxbracket _jan01tru	taxbracket_jan06tru 0	.17	.3	.42	.47	Total
0	529,650.7	25,506.57	0	0	0	555,157.2
	95.41	4.59	0.00	0.00	0.00	100.00
.17	6,040.371	942,414.6	88,265.2	0	0	1036720.2
	0.58	90.90	8.51	0.00	0.00	100.00
.3	0	0	952,998.8	160,816.9	0	1113815.8
	0.00	0.00	85.56	14.44	0.00	100.00
.42	0	0	0	29,762.05	156,679.8	186,441.9
	0.00	0.00	0.00	15.96	84.04	100.00
.47	0	0	0	0	323,390.7	323,390.7
	0.00	0.00	0.00	0.00	100.00	100.00
Total	535,691	967,921.2	1041264	190,579	480,070.5	3215525.8
	16.66	30.10	32.38	5.93	14.93	100.00

TABLE 101: Transition matrix between tax bracket in 2000/01 and 2005/06 if there had been no indexing since 2000/01 and there will not be any indexing in the future (Sydney)

taxbracket _jan01tru	taxbracket_jan06niw 0	.17	.3	.42	.47	Total
0	529,650.7	25,506.57	0	0	0	555,157.2
	95.41	4.59	0.00	0.00	0.00	100.00
.17	6,040.371	907,799.7	122,880.1	0	0	1036720.2
	0.58	87.56	11.85	0.00	0.00	100.00
.3	0	0	892,608.7	202,626.2	18,580.85	1113815.8
	0.00	0.00	80.14	18.19	1.67	100.00
.42	0	0	0	8,810.768	177,631.1	186,441.9
	0.00	0.00	0.00	4.73	95.27	100.00
.47	0	0	0	0	323,390.7	323,390.7
	0.00	0.00	0.00	0.00	100.00	100.00
Total	535,691	933,306.3	1015488.8	211,437	519,602.7	3215525.8
	16.66	29.02	31.58	6.58	16.16	100.00

TABLE 102: Transition matrix between tax bracket in 2000/01 and 2005/06 if there would have been CPI indexing since 2000/01 (Sydney)

```
+----------------+
| Key            |
|----------------|
|   frequency    |
| row percentage |
+----------------+
```

taxbracket _jan01tru	taxbracket_jan06cpi 0	.17	.3	.42	.47	Total
0	547,434.4	7,722.843	0	0	0	555,157.2
	98.61	1.39	0.00	0.00	0.00	100.00
.17	11,437.99	979,541.7	45,740.49	0	0	1036720.2
	1.10	94.48	4.41	0.00	0.00	100.00
.3	0	0	1057276.2	56,539.59	0	1113815.8
	0.00	0.00	94.92	5.08	0.00	100.00
.42	0	0	0	118,877	67,564.89	186,441.9
	0.00	0.00	0.00	63.76	36.24	100.00
.47	0	0	0	0	323,390.7	323,390.7
	0.00	0.00	0.00	0.00	100.00	100.00
Total	558,872.4	987,264.6	1103016.7	175,416.6	390,955.6	3215525.8
	17.38	30.70	34.30	5.46	12.16	100.00

TABLE 103: Transition matrix between tax bracket in 2000/01 and 2005/06 if there would be AWE indexing since 2000/01 (Sydney)

taxbracket _jan01tru	taxbracket_jan06awe 0	.17	.3	.42	.47	Total
0	555,157.2	0	0	0	0	555,157.2
	100.00	0.00	0.00	0.00	0.00	100.00
.17	32,517.85	1004202.4	0	0	0	1036720.2
	3.14	96.86	0.00	0.00	0.00	100.00
.3	0	10,688.68	1099918.8	3,208.26	0	1113815.8
	0.00	0.96	98.75	0.29	0.00	100.00
.42	0	0	19,845.42	164,940	1,656.52	186,441.9
	0.00	0.00	10.64	88.47	0.89	100.00
.47	0	0	0	9,942.633	313,448	323,390.7
	0.00	0.00	0.00	3.07	96.93	100.00
Total	587,675.1	1014891	1119764.2	178,090.8	315,104.6	3215525.8
	18.28	31.56	34.82	5.54	9.80	100.00

TABLE 104: Transition matrix between tax bracket in 2003/04 and 2005/06 if there would be no further indexing (Sydney)

Key
frequency
row percentage

taxbracket _jan04tru	taxbracket_jan06tru 0	.17	.3	.42	.47	Total
0	534,380.2	6,576.444	0	0	0	540,956.7
	98.78	1.22	0.00	0.00	0.00	100.00
.17	1,310.82	961,344.8	65,295.44	0	0	1027951
	0.13	93.52	6.35	0.00	0.00	100.00
.3	0	0	975,968.6	89,252.57	0	1065221.2
	0.00	0.00	91.62	8.38	0.00	100.00
.42	0	0	0	101,326.4	73,218.26	174,544.7
	0.00	0.00	0.00	58.05	41.95	100.00
.47	0	0	0	0	406,852.3	406,852.3
	0.00	0.00	0.00	0.00	100.00	100.00
Total	535,691	967,921.2	1041264	190,579	480,070.5	3215525.8
	16.66	30.10	32.38	5.93	14.93	100.00

TABLE 105: Transition matrix between tax bracket in 2003/04 and 2005/06 if the 2005/06 tax thresholds be set such as to reflect CPI indexing since 2000/01 (Sydney)

taxbracket _jan04tru	taxbracket_jan06cpi 0	.17	.3	.42	.47	Total
0	540,956.7	0	0	0	0	540,956.7
	100.00	0.00	0.00	0.00	0.00	100.00
.17	17,915.72	987,264.6	22,770.73	0	0	1027951
	1.74	96.04	2.22	0.00	0.00	100.00
.3	0	0	1065221.2	0	0	1065221.2
	0.00	0.00	100.00	0.00	0.00	100.00
.42	0	0	15,024.78	159,519.9	0	174,544.7
	0.00	0.00	8.61	91.39	0.00	100.00
.47	0	0	0	15,896.69	390,955.6	406,852.3
	0.00	0.00	0.00	3.91	96.09	100.00
Total	558,872.4	987,264.6	1103016.7	175,416.6	390,955.6	3215525.8
	17.38	30.70	34.30	5.46	12.16	100.00

TABLE 106: Transition matrix between tax bracket in 2003/04 and 2005/06 if the 2005/06 tax tresholds be set such as to reflect AWE indexing since 2000/01 (Sydney)

```
+----------------+
| Key            |
|----------------|
|   frequency    |
| row percentage |
+----------------+
```

taxbracket _jan04tru	taxbracket_jan06awe 0	.17	.3	.42	.47	Total
0	540,956.7	0	0	0	0	540,956.7
	100.00	0.00	0.00	0.00	0.00	100.00
.17	46,718.43	981,232.6	0	0	0	1027951
	4.54	95.46	0.00	0.00	0.00	100.00
.3	0	33,658.44	1031562.7	0	0	1065221.2
	0.00	3.16	96.84	0.00	0.00	100.00
.42	0	0	88,201.53	86,343.15	0	174,544.7
	0.00	0.00	50.53	49.47	0.00	100.00
.47	0	0	0	91,747.7	315,104.6	406,852.3
	0.00	0.00	0.00	22.55	77.45	100.00
Total	587,675.1	1014891	1119764.2	178,090.8	315,104.6	3215525.8
	18.28	31.56	34.82	5.54	9.80	100.00

BALANCE OF NSW

TABLE 107: Transition matrix between tax bracket in 2000/01 and 2003/04 (Balance of NSW)

Key
frequency
row percentage

taxbracket _jan01tru	taxbracket_jan04tru 0	.17	.3	.42	.47	Total
0	375,683.3	8,261.594	0	0	0	383,944.9
	97.85	2.15	0.00	0.00	0.00	100.00
.17	1,314.02	698,405.9	14,250.85	0	0	713,970.7
	0.18	97.82	2.00	0.00	0.00	100.00
.3	0	0	517,043.2	41,821.44	0	558,864.7
	0.00	0.00	92.52	7.48	0.00	100.00
.42	0	0	0	68,750.82	19,167.69	87,918.5
	0.00	0.00	0.00	78.20	21.80	100.00
.47	0	0	0	0	77,340.63	77,340.63
	0.00	0.00	0.00	0.00	100.00	100.00
Total	376,997.3	706,667.5	531,294.1	110,572.3	96,508.32	1822039.4
	20.69	38.78	29.16	6.07	5.30	100.00

TABLE 108: Transition matrix between tax bracket in 2000/01 and 2003/04 had there been no indexing since 2000/01 (Balance of NSW)

taxbracket _jan01tru	taxbracket_jan04niw 0	.17	.3	.42	.47	Total
0	375,683.3	8,261.594	0	0	0	383,944.9
	97.85	2.15	0.00	0.00	0.00	100.00
.17	1,314.02	664,593.6	48,063.09	0	0	713,970.7
	0.18	93.08	6.73	0.00	0.00	100.00
.3	0	0	504,799.8	54,064.88	0	558,864.7
	0.00	0.00	90.33	9.67	0.00	100.00
.42	0	0	0	30,675.4	57,243.11	87,918.5
	0.00	0.00	0.00	34.89	65.11	100.00
.47	0	0	0	0	77,340.63	77,340.63
	0.00	0.00	0.00	0.00	100.00	100.00
Total	376,997.3	672,855.2	552,862.9	84,740.27	134,583.7	1822039.4
	20.69	36.93	30.34	4.65	7.39	100.00

TABLE 109: Transition matrix between tax bracket in 2000/01 and 2003/04 had there been indexing by CPI since 2000/01 (Balance of NSW)

Key
frequency
row percentage

taxbracket _jan01tru	taxbracket_jan04cpi 0	.17	.3	.42	.47	Total
0	381,160.4	2,784.49	0	0	0	383,944.9
	99.27	0.73	0.00	0.00	0.00	100.00
.17	1,314.02	699,995.4	12,661.31	0	0	713,970.7
	0.18	98.04	1.77	0.00	0.00	100.00
.3	0	0	536,116.2	22,748.43	0	558,864.7
	0.00	0.00	95.93	4.07	0.00	100.00
.42	0	0	0	83,820.53	4,097.978	87,918.5
	0.00	0.00	0.00	95.34	4.66	100.00
.47	0	0	0	0	77,340.63	77,340.63
	0.00	0.00	0.00	0.00	100.00	100.00
Total	382,474.4	702,779.9	548,777.6	106,569	81,438.61	1822039.4
	20.99	38.57	30.12	5.85	4.47	100.00

TABLE 110: Transition matrix between tax bracket in 2000/01 and 2003/04 had there been indexing by AWE since 2000/01 (Balance of NSW)

taxbracket _jan01tru	taxbracket_jan04awe 0	.17	.3	.42	.47	Total
0	383,944.9	0	0	0	0	383,944.9
	100.00	0.00	0.00	0.00	0.00	100.00
.17	1,314.02	712,656.7	0	0	0	713,970.7
	0.18	99.82	0.00	0.00	0.00	100.00
.3	0	5,153.875	551,904.6	1,806.199	0	558,864.7
	0.00	0.92	98.75	0.32	0.00	100.00
.42	0	0	12,152.9	75,765.6	0	87,918.5
	0.00	0.00	13.82	86.18	0.00	100.00
.47	0	0	0	3,154.08	74,186.55	77,340.63
	0.00	0.00	0.00	4.08	95.92	100.00
Total	385,258.9	717,810.6	564,057.5	80,725.88	74,186.55	1822039.4
	21.14	39.40	30.96	4.43	4.07	100.00

TABLE 111: Transition matrix between tax bracket in 2000/01 and 2005/06 if there be no further indexing (Balance of NSW)

```
+----------------+
| Key            |
|----------------|
|   frequency    |
| row percentage |
+----------------+
```

taxbracket _jan01tru	taxbracket_jan06tru 0	.17	.3	.42	.47	Total
0	369,199	14,745.86	0	0	0	383,944.9
	96.16	3.84	0.00	0.00	0.00	100.00
.17	1,314.02	670,327	42,329.74	0	0	713,970.7
	0.18	93.89	5.93	0.00	0.00	100.00
.3	0	0	482,053	76,811.71	0	558,864.7
	0.00	0.00	86.26	13.74	0.00	100.00
.42	0	0	0	21,772.66	66,145.84	87,918.5
	0.00	0.00	0.00	24.76	75.24	100.00
.47	0	0	0	0	77,340.63	77,340.63
	0.00	0.00	0.00	0.00	100.00	100.00
Total	370,513.1	685,072.8	524,382.7	98,584.38	143,486.5	1822039.4
	20.34	37.60	28.78	5.41	7.88	100.00

TABLE 112: Transition matrix between tax bracket in 2000/01 and 2005/06 if there had been no indexing since 2000/01 and there will not be any indexing in the future (Balance of NSW)

taxbracket _jan01tru	taxbracket_jan06niw 0	.17	.3	.42	.47	Total
0	369,199	14,745.86	0	0	0	383,944.9
	96.16	3.84	0.00	0.00	0.00	100.00
.17	1,314.02	633,026.4	79,630.27	0	0	713,970.7
	0.18	88.66	11.15	0.00	0.00	100.00
.3	0	0	448,244.6	97,154.32	13,465.79	558,864.7
	0.00	0.00	80.21	17.38	2.41	100.00
.42	0	0	0	5,454.667	82,463.84	87,918.5
	0.00	0.00	0.00	6.20	93.80	100.00
.47	0	0	0	0	77,340.63	77,340.63
	0.00	0.00	0.00	0.00	100.00	100.00
Total	370,513.1	647,772.3	527,874.8	102,609	173,270.3	1822039.4
	20.34	35.55	28.97	5.63	9.51	100.00

TABLE 113: Transition matrix between tax bracket in 2000/01 and 2005/06 if there would have been CPI indexing since 2000/01 (Balance of NSW)

Key
frequency
row percentage

taxbracket _jan01tru	taxbracket_jan06cpi 0	.17	.3	.42	.47	Total
0	381,160.4	2,784.49	0	0	0	383,944.9
	99.27	0.73	0.00	0.00	0.00	100.00
.17	1,314.02	690,665.5	21,991.19	0	0	713,970.7
	0.18	96.74	3.08	0.00	0.00	100.00
.3	0	0	525,145.2	33,719.45	0	558,864.7
	0.00	0.00	93.97	6.03	0.00	100.00
.42	0	0	0	72,088.38	15,830.13	87,918.5
	0.00	0.00	0.00	81.99	18.01	100.00
.47	0	0	0	0	77,340.63	77,340.63
	0.00	0.00	0.00	0.00	100.00	100.00
Total	382,474.4	693,450	547,136.4	105,807.8	93,170.76	1822039.4
	20.99	38.06	30.03	5.81	5.11	100.00

TABLE 114: Transition matrix between tax bracket in 2000/01 and 2005/06 if there would be AWE indexing since 2000/01 (Balance of NSW)

taxbracket _jan01tru	taxbracket_jan06awe 0	.17	.3	.42	.47	Total
0	383,944.9	0	0	0	0	383,944.9
	100.00	0.00	0.00	0.00	0.00	100.00
.17	7,543.737	706,427	0	0	0	713,970.7
	1.06	98.94	0.00	0.00	0.00	100.00
.3	0	5,153.875	551,904.6	1,806.199	0	558,864.7
	0.00	0.92	98.75	0.32	0.00	100.00
.42	0	0	12,152.9	75,765.6	0	87,918.5
	0.00	0.00	13.82	86.18	0.00	100.00
.47	0	0	0	3,154.08	74,186.55	77,340.63
	0.00	0.00	0.00	4.08	95.92	100.00
Total	391,488.6	711,580.9	564,057.5	80,725.88	74,186.55	1822039.4
	21.49	39.05	30.96	4.43	4.07	100.00

TABLE 115: Transition matrix between tax bracket in 2003/04 and 2005/06 if there would be no further indexing (Balance of NSW)

Key
frequency
row percentage

taxbracket _jan04tru	taxbracket_jan06tru 0	.17	.3	.42	.47	Total
0	370,513.1	6,484.266	0	0	0	376,997.3
	98.28	1.72	0.00	0.00	0.00	100.00
.17	0	678,588.6	28,078.89	0	0	706,667.5
	0.00	96.03	3.97	0.00	0.00	100.00
.3	0	0	496,303.8	34,990.28	0	531,294.1
	0.00	0.00	93.41	6.59	0.00	100.00
.42	0	0	0	63,594.1	46,978.15	110,572.3
	0.00	0.00	0.00	57.51	42.49	100.00
.47	0	0	0	0	96,508.32	96,508.32
	0.00	0.00	0.00	0.00	100.00	100.00
Total	370,513.1	685,072.8	524,382.7	98,584.38	143,486.5	1822039.4
	20.34	37.60	28.78	5.41	7.88	100.00

TABLE 116: Transition matrix between tax bracket in 2003/04 and 2005/06 if the 2005/06 tax tresholds be set such as to reflect CPI indexing since 2000/01 (Balance of NSW)

taxbracket _jan04tru	taxbracket_jan06cpi 0	.17	.3	.42	.47	Total
0	376,997.3	0	0	0	0	376,997.3
	100.00	0.00	0.00	0.00	0.00	100.00
.17	5,477.104	693,450	7,740.339	0	0	706,667.5
	0.78	98.13	1.10	0.00	0.00	100.00
.3	0	0	531,294.1	0	0	531,294.1
	0.00	0.00	100.00	0.00	0.00	100.00
.42	0	0	8,101.981	102,470.3	0	110,572.3
	0.00	0.00	7.33	92.67	0.00	100.00
.47	0	0	0	3,337.559	93,170.76	96,508.32
	0.00	0.00	0.00	3.46	96.54	100.00
Total	382,474.4	693,450	547,136.4	105,807.8	93,170.76	1822039.4
	20.99	38.06	30.03	5.81	5.11	100.00

TABLE 117: Transition matrix between tax bracket in 2003/04 and 2005/06 if the 2005/06 tax tresholds be set such as to reflect AWE indexing since 2000/01 (Balance of NSW)

Key
frequency
row percentage

taxbracket _jan04tru	taxbracket_jan06awe 0	.17	.3	.42	.47	Total
0	376,997.3	0	0	0	0	376,997.3
	100.00	0.00	0.00	0.00	0.00	100.00
.17	14,491.31	692,176.2	0	0	0	706,667.5
	2.05	97.95	0.00	0.00	0.00	100.00
.3	0	19,404.72	511,889.4	0	0	531,294.1
	0.00	3.65	96.35	0.00	0.00	100.00
.42	0	0	52,168.14	58,404.11	0	110,572.3
	0.00	0.00	47.18	52.82	0.00	100.00
.47	0	0	0	22,321.77	74,186.55	96,508.32
	0.00	0.00	0.00	23.13	76.87	100.00
Total	391,488.6	711,580.9	564,057.5	80,725.88	74,186.55	1822039.4
	21.49	39.05	30.96	4.43	4.07	100.00

ACT & NT

TABLE 118: Transition matrix between tax bracket in 2000/01 and 2003/04 (ACT & NT)

```
+----------------+
| Key            |
|----------------|
|   frequency    |
| row percentage |
+----------------+
```

taxbracket _jan01tru	taxbracket_jan04tru 0	.17	.3	.42	.47	Total
0	47,173.36	1,950.424	0	0	0	49,123.78
	96.03	3.97	0.00	0.00	0.00	100.00
.17	0	76,709.95	1,739.892	0	0	78,449.85
	0.00	97.78	2.22	0.00	0.00	100.00
.3	0	0	128,768	16,065.41	0	144,833.4
	0.00	0.00	88.91	11.09	0.00	100.00
.42	0	0	0	22,045.54	12,606.15	34,651.69
	0.00	0.00	0.00	63.62	36.38	100.00
.47	0	0	0	0	42,930.97	42,930.97
	0.00	0.00	0.00	0.00	100.00	100.00
Total	47,173.36	78,660.38	130,507.9	38,110.95	55,537.12	349,989.7
	13.48	22.48	37.29	10.89	15.87	100.00

TABLE 119: Transition matrix between tax bracket in 2000/01 and 2003/04 had there been no indexing since 2000/01 (ACT & NT)

taxbracket _jan01tru	taxbracket_jan04niw 0	.17	.3	.42	.47	Total
0	47,173.36	1,950.424	0	0	0	49,123.78
	96.03	3.97	0.00	0.00	0.00	100.00
.17	0	69,368.38	9,081.469	0	0	78,449.85
	0.00	88.42	11.58	0.00	0.00	100.00
.3	0	0	123,932.3	20,901.08	0	144,833.4
	0.00	0.00	85.57	14.43	0.00	100.00
.42	0	0	0	14,220.36	20,431.33	34,651.69
	0.00	0.00	0.00	41.04	58.96	100.00
.47	0	0	0	0	42,930.97	42,930.97
	0.00	0.00	0.00	0.00	100.00	100.00
Total	47,173.36	71,318.8	133,013.8	35,121.44	63,362.29	349,989.7
	13.48	20.38	38.01	10.03	18.10	100.00

TABLE 120: Transition matrix between tax bracket in 2000/01 and 2003/04 had there been indexing by CPI since 2000/01 (ACT & NT)

```
+----------------+
| Key            |
|----------------|
|   frequency    |
| row percentage |
+----------------+
```

taxbracket _jan01tru	taxbracket_jan04cpi 0	.17	.3	.42	.47	Total
0	49,123.78	0	0	0	0	49,123.78
	100.00	0.00	0.00	0.00	0.00	100.00
.17	0	77,899.95	549.8916	0	0	78,449.85
	0.00	99.30	0.70	0.00	0.00	100.00
.3	0	0	139,681.8	5,151.598	0	144,833.4
	0.00	0.00	96.44	3.56	0.00	100.00
.42	0	0	0	29,158.4	5,493.292	34,651.69
	0.00	0.00	0.00	84.15	15.85	100.00
.47	0	0	0	0	42,930.97	42,930.97
	0.00	0.00	0.00	0.00	100.00	100.00
Total	49,123.78	77,899.95	140,231.7	34,310	48,424.26	349,989.7
	14.04	22.26	40.07	9.80	13.84	100.00

TABLE 121: Transition matrix between tax bracket in 2000/01 and 2003/04 had there been indexing by AWE since 2000/01 (ACT & NT)

taxbracket _jan01tru	taxbracket_jan04awe 0	.17	.3	.42	.47	Total
0	49,123.78	0	0	0	0	49,123.78
	100.00	0.00	0.00	0.00	0.00	100.00
.17	490.5281	77,959.32	0	0	0	78,449.85
	0.63	99.37	0.00	0.00	0.00	100.00
.3	0	1,232.821	143,600.6	0	0	144,833.4
	0.00	0.85	99.15	0.00	0.00	100.00
.42	0	0	5,162.493	29,489.2	0	34,651.69
	0.00	0.00	14.90	85.10	0.00	100.00
.47	0	0	0	438.2832	42,492.68	42,930.97
	0.00	0.00	0.00	1.02	98.98	100.00
Total	49,614.31	79,192.14	148,763.1	29,927.48	42,492.68	349,989.7
	14.18	22.63	42.50	8.55	12.14	100.00

TABLE 122: Transition matrix between tax bracket in 2000/01 and 2005/06 if there be no further indexing (ACT & NT)

Key
frequency
row percentage

taxbracket _jan01tru	taxbracket_jan06tru 0	.17	.3	.42	.47	Total
0	47,173.36	1,950.424	0	0	0	49,123.78
	96.03	3.97	0.00	0.00	0.00	100.00
.17	0	69,954.85	8,494.997	0	0	78,449.85
	0.00	89.17	10.83	0.00	0.00	100.00
.3	0	0	114,785.4	30,048.01	0	144,833.4
	0.00	0.00	79.25	20.75	0.00	100.00
.42	0	0	0	7,344.88	27,306.81	34,651.69
	0.00	0.00	0.00	21.20	78.80	100.00
.47	0	0	0	0	42,930.97	42,930.97
	0.00	0.00	0.00	0.00	100.00	100.00
Total	47,173.36	71,905.27	123,280.4	37,392.89	70,237.78	349,989.7
	13.48	20.54	35.22	10.68	20.07	100.00

TABLE 123: Transition matrix between tax bracket in 2000/01 and 2005/06 if there had been no indexing since 2000/01 and there will not be any indexing in the future (ACT & NT)

taxbracket _jan01tru	taxbracket_jan06niw 0	.17	.3	.42	.47	Total
0	47,173.36	1,950.424	0	0	0	49,123.78
	96.03	3.97	0.00	0.00	0.00	100.00
.17	0	64,423.92	14,025.93	0	0	78,449.85
	0.00	82.12	17.88	0.00	0.00	100.00
.3	0	0	107,391.5	34,556.68	2,885.198	144,833.4
	0.00	0.00	74.15	23.86	1.99	100.00
.42	0	0	0	1,119.4	33,532.29	34,651.69
	0.00	0.00	0.00	3.23	96.77	100.00
.47	0	0	0	0	42,930.97	42,930.97
	0.00	0.00	0.00	0.00	100.00	100.00
Total	47,173.36	66,374.34	121,417.4	35,676.08	79,348.46	349,989.7
	13.48	18.96	34.69	10.19	22.67	100.00

TABLE 124: Transition matrix between tax bracket in 2000/01 and 2005/06 if there would have been CPI indexing since 2000/01 (ACT & NT)

```
+----------------+
| Key            |
|----------------|
|   frequency    |
| row percentage |
+----------------+
```

taxbracket _jan01tru	taxbracket_jan06cpi 0	.17	.3	.42	.47	Total
0	48,246.86	876.9253	0	0	0	49,123.78
	98.21	1.79	0.00	0.00	0.00	100.00
.17	0	73,312.03	5,137.816	0	0	78,449.85
	0.00	93.45	6.55	0.00	0.00	100.00
.3	0	0	133,432.4	11,400.96	0	144,833.4
	0.00	0.00	92.13	7.87	0.00	100.00
.42	0	0	0	23,605.07	11,046.62	34,651.69
	0.00	0.00	0.00	68.12	31.88	100.00
.47	0	0	0	0	42,930.97	42,930.97
	0.00	0.00	0.00	0.00	100.00	100.00
Total	48,246.86	74,188.95	138,570.2	35,006.03	53,977.59	349,989.7
	13.79	21.20	39.59	10.00	15.42	100.00

TABLE 125: Transition matrix between tax bracket in 2000/01 and 2005/06 if there would be AWE indexing since 2000/01 (ACT & NT)

taxbracket _jan01tru	taxbracket_jan06awe 0	.17	.3	.42	.47	Total
0	49,123.78	0	0	0	0	49,123.78
	100.00	0.00	0.00	0.00	0.00	100.00
.17	490.5281	77,959.32	0	0	0	78,449.85
	0.63	99.37	0.00	0.00	0.00	100.00
.3	0	1,232.821	143,600.6	0	0	144,833.4
	0.00	0.85	99.15	0.00	0.00	100.00
.42	0	0	5,162.493	29,489.2	0	34,651.69
	0.00	0.00	14.90	85.10	0.00	100.00
.47	0	0	0	438.2832	42,492.68	42,930.97
	0.00	0.00	0.00	1.02	98.98	100.00
Total	49,614.31	79,192.14	148,763.1	29,927.48	42,492.68	349,989.7
	14.18	22.63	42.50	8.55	12.14	100.00

TABLE 126: Transition matrix between tax bracket in 2003/04 and 2005/06 if there would be no further indexing (ACT & NT)

Key
frequency
row percentage

taxbracket _jan04tru	taxbracket_jan06tru 0	.17	.3	.42	.47	Total
0	47,173.36	0	0	0	0	47,173.36
	100.00	0.00	0.00	0.00	0.00	100.00
.17	0	71,905.27	6,755.105	0	0	78,660.38
	0.00	91.41	8.59	0.00	0.00	100.00
.3	0	0	116,525.3	13,982.6	0	130,507.9
	0.00	0.00	89.29	10.71	0.00	100.00
.42	0	0	0	23,410.29	14,700.66	38,110.95
	0.00	0.00	0.00	61.43	38.57	100.00
.47	0	0	0	0	55,537.12	55,537.12
	0.00	0.00	0.00	0.00	100.00	100.00
Total	47,173.36	71,905.27	123,280.4	37,392.89	70,237.78	349,989.7
	13.48	20.54	35.22	10.68	20.07	100.00

TABLE 127: Transition matrix between tax bracket in 2003/04 and 2005/06 if the 2005/06 tax tresholds be set such as to reflect CPI indexing since 2000/01 (ACT & NT)

taxbracket _jan04tru	taxbracket_jan06cpi 0	.17	.3	.42	.47	Total
0	47,173.36	0	0	0	0	47,173.36
	100.00	0.00	0.00	0.00	0.00	100.00
.17	1,073.498	74,188.95	3,397.925	0	0	78,660.38
	1.36	94.32	4.32	0.00	0.00	100.00
.3	0	0	130,507.9	0	0	130,507.9
	0.00	0.00	100.00	0.00	0.00	100.00
.42	0	0	4,664.447	33,446.5	0	38,110.95
	0.00	0.00	12.24	87.76	0.00	100.00
.47	0	0	0	1,559.53	53,977.59	55,537.12
	0.00	0.00	0.00	2.81	97.19	100.00
Total	48,246.86	74,188.95	138,570.2	35,006.03	53,977.59	349,989.7
	13.79	21.20	39.59	10.00	15.42	100.00

TABLE 128: Transition matrix between tax bracket in 2003/04 and 2005/06 if the 2005/06 tax tresholds be set such as to reflect AWE indexing since 2000/01 (ACT & NT)

```
+----------------+
| Key            |
|----------------|
|   frequency    |
| row percentage |
+----------------+
```

taxbracket _jan04tru	taxbracket_jan06awe 0	.17	.3	.42	.47	Total
0	47,173.36	0	0	0	0	47,173.36
	100.00	0.00	0.00	0.00	0.00	100.00
.17	2,440.952	76,219.43	0	0	0	78,660.38
	3.10	96.90	0.00	0.00	0.00	100.00
.3	0	2,972.713	127,535.2	0	0	130,507.9
	0.00	2.28	97.72	0.00	0.00	100.00
.42	0	0	21,227.9	16,883.05	0	38,110.95
	0.00	0.00	55.70	44.30	0.00	100.00
.47	0	0	0	13,044.43	42,492.68	55,537.12
	0.00	0.00	0.00	23.49	76.51	100.00
Total	49,614.31	79,192.14	148,763.1	29,927.48	42,492.68	349,989.7
	14.18	22.63	42.50	8.55	12.14	100.00

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TABLE 129: Transition matrix between tax bracket in 2000/01 and 2003/04 (Adelaide)

Key
frequency
row percentage

taxbracket _jan01tru	taxbracket_jan04tru 0	.17	.3	.42	.47	Total
0	179,806.7	4,723.023	0	0	0	184,529.7
	97.44	2.56	0.00	0.00	0.00	100.00
.17	760.6173	283,604	5,998.882	0	0	290,363.5
	0.26	97.67	2.07	0.00	0.00	100.00
.3	0	0	285,453.6	17,486.49	0	302,940.1
	0.00	0.00	94.23	5.77	0.00	100.00
.42	0	0	0	35,660.77	16,150.43	51,811.2
	0.00	0.00	0.00	68.83	31.17	100.00
.47	0	0	0	0	40,334.95	40,334.95
	0.00	0.00	0.00	0.00	100.00	100.00
Total	180,567.3	288,327	291,452.4	53,147.26	56,485.38	869,979.4
	20.76	33.14	33.50	6.11	6.49	100.00

TABLE 130: Transition matrix between tax bracket in 2000/01 and 2003/04 had there been no indexing since 2000/01 (Adelaide)

taxbracket _jan01tru	taxbracket_jan04niw 0	.17	.3	.42	.47	Total
0	179,806.7	4,723.023	0	0	0	184,529.7
	97.44	2.56	0.00	0.00	0.00	100.00
.17	760.6173	274,637.3	14,965.63	0	0	290,363.5
	0.26	94.58	5.15	0.00	0.00	100.00
.3	0	0	275,077.5	27,862.56	0	302,940.1
	0.00	0.00	90.80	9.20	0.00	100.00
.42	0	0	0	17,949.64	33,861.56	51,811.2
	0.00	0.00	0.00	34.64	65.36	100.00
.47	0	0	0	0	40,334.95	40,334.95
	0.00	0.00	0.00	0.00	100.00	100.00
Total	180,567.3	279,360.3	290,043.1	45,812.2	74,196.51	869,979.4
	20.76	32.11	33.34	5.27	8.53	100.00

TABLE 131: Transition matrix between tax bracket in 2000/01 and 2003/04 had there been indexing by CPI since 2000/01 (Adelaide)

Key
frequency
row percentage

taxbracket _jan01tru	taxbracket_jan04cpi 0	.17	.3	.42	.47	Total
0	183,550.9	978.7556	0	0	0	184,529.7
	99.47	0.53	0.00	0.00	0.00	100.00
.17	760.6173	285,795.9	3,806.967	0	0	290,363.5
	0.26	98.43	1.31	0.00	0.00	100.00
.3	0	0	294,975.9	7,964.155	0	302,940.1
	0.00	0.00	97.37	2.63	0.00	100.00
.42	0	0	0	46,125.23	5,685.967	51,811.2
	0.00	0.00	0.00	89.03	10.97	100.00
.47	0	0	0	0	40,334.95	40,334.95
	0.00	0.00	0.00	0.00	100.00	100.00
Total	184,311.5	286,774.7	298,782.9	54,089.39	46,020.92	869,979.4
	21.19	32.96	34.34	6.22	5.29	100.00

TABLE 132: Transition matrix between tax bracket in 2000/01 and 2003/04 had there been indexing by AWE since 2000/01 (Adelaide)

taxbracket _jan01tru	taxbracket_jan04awe 0	.17	.3	.42	.47	Total
0	184,529.7	0	0	0	0	184,529.7
	100.00	0.00	0.00	0.00	0.00	100.00
.17	3,509.731	286,853.8	0	0	0	290,363.5
	1.21	98.79	0.00	0.00	0.00	100.00
.3	0	2,296.178	300,643.9	0	0	302,940.1
	0.00	0.76	99.24	0.00	0.00	100.00
.42	0	0	4,312.725	47,498.48	0	51,811.2
	0.00	0.00	8.32	91.68	0.00	100.00
.47	0	0	0	751.5164	39,583.43	40,334.95
	0.00	0.00	0.00	1.86	98.14	100.00
Total	188,039.4	289,150	304,956.6	48,249.99	39,583.43	869,979.4
	21.61	33.24	35.05	5.55	4.55	100.00

TABLE 133: Transition matrix between tax bracket in 2000/01 and 2005/06 if there be no further indexing (Adelaide)

```
+----------------+
| Key            |
|----------------|
|   frequency    |
| row percentage |
+----------------+
```

taxbracket _jan01tru	taxbracket_jan06tru 0	.17	.3	.42	.47	Total
0	178,042.2	6,487.472	0	0	0	184,529.7
	96.48	3.52	0.00	0.00	0.00	100.00
.17	760.6173	275,301.5	14,301.36	0	0	290,363.5
	0.26	94.81	4.93	0.00	0.00	100.00
.3	0	0	263,610.6	39,329.49	0	302,940.1
	0.00	0.00	87.02	12.98	0.00	100.00
.42	0	0	0	8,888.37	42,922.83	51,811.2
	0.00	0.00	0.00	17.16	82.84	100.00
.47	0	0	0	0	40,334.95	40,334.95
	0.00	0.00	0.00	0.00	100.00	100.00
Total	178,802.8	281,789	277,911.9	48,217.86	83,257.78	869,979.4
	20.55	32.39	31.94	5.54	9.57	100.00

TABLE 134: Transition matrix between tax bracket in 2000/01 and 2005/06 if there had been no indexing since 2000/01 and there will not be any indexing in the future (Adelaide)

taxbracket _jan01tru	taxbracket_jan06niw 0	.17	.3	.42	.47	Total
0	178,042.2	6,487.472	0	0	0	184,529.7
	96.48	3.52	0.00	0.00	0.00	100.00
.17	760.6173	262,861	26,741.86	0	0	290,363.5
	0.26	90.53	9.21	0.00	0.00	100.00
.3	0	0	248,672.7	52,021.97	2,245.43	302,940.1
	0.00	0.00	82.09	17.17	0.74	100.00
.42	0	0	0	906.4991	50,904.7	51,811.2
	0.00	0.00	0.00	1.75	98.25	100.00
.47	0	0	0	0	40,334.95	40,334.95
	0.00	0.00	0.00	0.00	100.00	100.00
Total	178,802.8	269,348.5	275,414.5	52,928.47	93,485.08	869,979.4
	20.55	30.96	31.66	6.08	10.75	100.00

TABLE 135: Transition matrix between tax bracket in 2000/01 and 2005/06 if there would have been CPI indexing since 2000/01 (Adelaide)

Key
frequency
row percentage

taxbracket _jan01tru	taxbracket_jan06cpi 0	.17	.3	.42	.47	Total
0	182,122.9	2,406.806	0	0	0	184,529.7
	98.70	1.30	0.00	0.00	0.00	100.00
.17	760.6173	282,376.5	7,226.427	0	0	290,363.5
	0.26	97.25	2.49	0.00	0.00	100.00
.3	0	0	287,400.1	15,539.93	0	302,940.1
	0.00	0.00	94.87	5.13	0.00	100.00
.42	0	0	0	36,832.19	14,979.01	51,811.2
	0.00	0.00	0.00	71.09	28.91	100.00
.47	0	0	0	0	40,334.95	40,334.95
	0.00	0.00	0.00	0.00	100.00	100.00
Total	182,883.5	284,783.3	294,626.5	52,372.12	55,313.97	869,979.4
	21.02	32.73	33.87	6.02	6.36	100.00

TABLE 136: Transition matrix between tax bracket in 2000/01 and 2005/06 if there would be AWE indexing since 2000/01 (Adelaide)

taxbracket _jan01tru	taxbracket_jan06awe 0	.17	.3	.42	.47	Total
0	184,529.7	0	0	0	0	184,529.7
	100.00	0.00	0.00	0.00	0.00	100.00
.17	3,509.731	286,853.8	0	0	0	290,363.5
	1.21	98.79	0.00	0.00	0.00	100.00
.3	0	2,296.178	300,643.9	0	0	302,940.1
	0.00	0.76	99.24	0.00	0.00	100.00
.42	0	0	4,312.725	47,498.48	0	51,811.2
	0.00	0.00	8.32	91.68	0.00	100.00
.47	0	0	0	751.5164	39,583.43	40,334.95
	0.00	0.00	0.00	1.86	98.14	100.00
Total	188,039.4	289,150	304,956.6	48,249.99	39,583.43	869,979.4
	21.61	33.24	35.05	5.55	4.55	100.00

TABLE 137: Transition matrix between tax bracket in 2003/04 and 2005/06 if there would be no further indexing (Adelaide)

Key
frequency
row percentage

taxbracket _jan04tru	taxbracket_jan06tru 0	.17	.3	.42	.47	Total
0	178,802.8	1,764.448	0	0	0	180,567.3
	99.02	0.98	0.00	0.00	0.00	100.00
.17	0	280,024.6	8,302.478	0	0	288,327
	0.00	97.12	2.88	0.00	0.00	100.00
.3	0	0	269,609.4	21,842.99	0	291,452.4
	0.00	0.00	92.51	7.49	0.00	100.00
.42	0	0	0	26,374.86	26,772.4	53,147.26
	0.00	0.00	0.00	49.63	50.37	100.00
.47	0	0	0	0	56,485.38	56,485.38
	0.00	0.00	0.00	0.00	100.00	100.00
Total	178,802.8	281,789	277,911.9	48,217.86	83,257.78	869,979.4
	20.55	32.39	31.94	5.54	9.57	100.00

TABLE 138: Transition matrix between tax bracket in 2003/04 and 2005/06 if the 2005/06 tax tresholds be set such as to reflect CPI indexing since 2000/01 (Adelaide)

taxbracket _jan04tru	taxbracket_jan06cpi 0	.17	.3	.42	.47	Total
0	180,567.3	0	0	0	0	180,567.3
	100.00	0.00	0.00	0.00	0.00	100.00
.17	2,316.217	284,783.3	1,227.545	0	0	288,327
	0.80	98.77	0.43	0.00	0.00	100.00
.3	0	0	291,452.4	0	0	291,452.4
	0.00	0.00	100.00	0.00	0.00	100.00
.42	0	0	1,946.559	51,200.7	0	53,147.26
	0.00	0.00	3.66	96.34	0.00	100.00
.47	0	0	0	1,171.419	55,313.97	56,485.38
	0.00	0.00	0.00	2.07	97.93	100.00
Total	182,883.5	284,783.3	294,626.5	52,372.12	55,313.97	869,979.4
	21.02	32.73	33.87	6.02	6.36	100.00

TABLE 139: Transition matrix between tax bracket in 2003/04 and 2005/06 if the 2005/06 tax tresholds be set such as to reflect AWE indexing since 2000/01 (Adelaide)

Key
frequency
row percentage

taxbracket _jan04tru	taxbracket_jan06awe 0	.17	.3	.42	.47	Total
0	180,567.3	0	0	0	0	180,567.3
	100.00	0.00	0.00	0.00	0.00	100.00
.17	7,472.137	280,854.9	0	0	0	288,327
	2.59	97.41	0.00	0.00	0.00	100.00
.3	0	8,295.06	283,157.4	0	0	291,452.4
	0.00	2.85	97.15	0.00	0.00	100.00
.42	0	0	21,799.22	31,348.04	0	53,147.26
	0.00	0.00	41.02	58.98	0.00	100.00
.47	0	0	0	16,901.95	39,583.43	56,485.38
	0.00	0.00	0.00	29.92	70.08	100.00
Total	188,039.4	289,150	304,956.6	48,249.99	39,583.43	869,979.4
	21.61	33.24	35.05	5.55	4.55	100.00

BALANCE OF SA

TABLE 140: Transition matrix between tax bracket in 2000/01 and 2003/04 (Balance of SA)

Key
frequency
row percentage

taxbracket _jan01tru	taxbracket_jan04tru 0	.17	.3	.42	.47	Total
0	60,255.8	704.7953	0	0	0	60,960.6
	98.84	1.16	0.00	0.00	0.00	100.00
.17	0	131,539.9	3,050.219	0	0	134,590.2
	0.00	97.73	2.27	0.00	0.00	100.00
.3	0	0	87,315.77	3,011.543	0	90,327.31
	0.00	0.00	96.67	3.33	0.00	100.00
.42	0	0	0	5,803.421	3,302.219	9,105.64
	0.00	0.00	0.00	63.73	36.27	100.00
.47	0	0	0	0	12,845.28	12,845.28
	0.00	0.00	0.00	0.00	100.00	100.00
Total	60,255.8	132,244.7	90,365.99	8,814.964	16,147.5	307,829
	19.57	42.96	29.36	2.86	5.25	100.00

TABLE 141: Transition matrix between tax bracket in 2000/01 and 2003/04 had there been no indexing since 2000/01 (Balance of SA)

taxbracket _jan01tru	taxbracket_jan04niw 0	.17	.3	.42	.47	Total
0	60,255.8	704.7953	0	0	0	60,960.6
	98.84	1.16	0.00	0.00	0.00	100.00
.17	0	125,206.3	9,383.825	0	0	134,590.2
	0.00	93.03	6.97	0.00	0.00	100.00
.3	0	0	84,750.7	5,576.613	0	90,327.31
	0.00	0.00	93.83	6.17	0.00	100.00
.42	0	0	0	1,884.183	7,221.457	9,105.64
	0.00	0.00	0.00	20.69	79.31	100.00
.47	0	0	0	0	12,845.28	12,845.28
	0.00	0.00	0.00	0.00	100.00	100.00
Total	60,255.8	125,911.1	94,134.52	7,460.796	20,066.74	307,829
	19.57	40.90	30.58	2.42	6.52	100.00

TABLE 142: Transition matrix between tax bracket in 2000/01 and 2003/04 had there been indexing by CPI since 2000/01 (Balance of SA)

Key
frequency
row percentage

taxbracket _jan01tru	taxbracket_jan04cpi 0	.17	.3	.42	.47	Total
0	60,255.8	704.7953	0	0	0	60,960.6
	98.84	1.16	0.00	0.00	0.00	100.00
.17	698.1706	131,581.1	2,310.861	0	0	134,590.2
	0.52	97.76	1.72	0.00	0.00	100.00
.3	0	0	87,315.77	3,011.543	0	90,327.31
	0.00	0.00	96.67	3.33	0.00	100.00
.42	0	0	0	8,551.072	554.5672	9,105.64
	0.00	0.00	0.00	93.91	6.09	100.00
.47	0	0	0	0	12,845.28	12,845.28
	0.00	0.00	0.00	0.00	100.00	100.00
Total	60,953.97	132,285.9	89,626.63	11,562.62	13,399.85	307,829
	19.80	42.97	29.12	3.76	4.35	100.00

TABLE 143: Transition matrix between tax bracket in 2000/01 and 2003/04 had there been indexing by AWE since 2000/01 (Balance of SA)

taxbracket _jan01tru	taxbracket_jan04awe 0	.17	.3	.42	.47	Total
0	60,960.6	0	0	0	0	60,960.6
	100.00	0.00	0.00	0.00	0.00	100.00
.17	1,400.671	133,189.5	0	0	0	134,590.2
	1.04	98.96	0.00	0.00	0.00	100.00
.3	0	616.7937	89,710.52	0	0	90,327.31
	0.00	0.68	99.32	0.00	0.00	100.00
.42	0	0	0	9,105.64	0	9,105.64
	0.00	0.00	0.00	100.00	0.00	100.00
.47	0	0	0	0	12,845.28	12,845.28
	0.00	0.00	0.00	0.00	100.00	100.00
Total	62,361.27	133,806.3	89,710.52	9,105.64	12,845.28	307,829
	20.26	43.47	29.14	2.96	4.17	100.00

TABLE 144: Transition matrix between tax bracket in 2000/01 and 2005/06 if there be no further indexing (Balance of SA)

Key
frequency
row percentage

taxbracket _jan01tru	taxbracket_jan06tru 0	.17	.3	.42	.47	Total
0	59,432.73	1,527.869	0	0	0	60,960.6
	97.49	2.51	0.00	0.00	0.00	100.00
.17	698.1706	125,722.5	8,169.536	0	0	134,590.2
	0.52	93.41	6.07	0.00	0.00	100.00
.3	0	0	81,930.87	8,396.442	0	90,327.31
	0.00	0.00	90.70	9.30	0.00	100.00
.42	0	0	0	0	9,105.64	9,105.64
	0.00	0.00	0.00	0.00	100.00	100.00
.47	0	0	0	0	12,845.28	12,845.28
	0.00	0.00	0.00	0.00	100.00	100.00
Total	60,130.9	127,250.3	90,100.4	8,396.442	21,950.92	307,829
	19.53	41.34	29.27	2.73	7.13	100.00

TABLE 145: Transition matrix between tax bracket in 2000/01 and 2005/06 if there had been no indexing since 2000/01 and there will not be any indexing in the future (Balance of SA)

taxbracket _jan01tru	taxbracket_jan06niw 0	.17	.3	.42	.47	Total
0	59,432.73	1,527.869	0	0	0	60,960.6
	97.49	2.51	0.00	0.00	0.00	100.00
.17	698.1706	119,572.4	14,319.63	0	0	134,590.2
	0.52	88.84	10.64	0.00	0.00	100.00
.3	0	0	80,060.31	9,589.295	677.7025	90,327.31
	0.00	0.00	88.63	10.62	0.75	100.00
.42	0	0	0	0	9,105.64	9,105.64
	0.00	0.00	0.00	0.00	100.00	100.00
.47	0	0	0	0	12,845.28	12,845.28
	0.00	0.00	0.00	0.00	100.00	100.00
Total	60,130.9	121,100.2	94,379.95	9,589.295	22,628.63	307,829
	19.53	39.34	30.66	3.12	7.35	100.00

TABLE 146: Transition matrix between tax bracket in 2000/01 and 2005/06 if there would have been CPI indexing since 2000/01 (Balance of SA)

```
+----------------+
| Key            |
|----------------|
|   frequency    |
| row percentage |
+----------------+
```

taxbracket _jan01tru	taxbracket_jan06cpi 0	.17	.3	.42	.47	Total
0	60,255.8	704.7953	0	0	0	60,960.6
	98.84	1.16	0.00	0.00	0.00	100.00
.17	698.1706	130,841.8	3,050.219	0	0	134,590.2
	0.52	97.21	2.27	0.00	0.00	100.00
.3	0	0	87,315.77	3,011.543	0	90,327.31
	0.00	0.00	96.67	3.33	0.00	100.00
.42	0	0	0	7,213.049	1,892.59	9,105.64
	0.00	0.00	0.00	79.22	20.78	100.00
.47	0	0	0	0	12,845.28	12,845.28
	0.00	0.00	0.00	0.00	100.00	100.00
Total	60,953.97	131,546.6	90,365.99	10,224.59	14,737.87	307,829
	19.80	42.73	29.36	3.32	4.79	100.00

TABLE 147: Transition matrix between tax bracket in 2000/01 and 2005/06 if there would be AWE indexing since 2000/01 (Balance of SA)

taxbracket _jan01tru	taxbracket_jan06awe 0	.17	.3	.42	.47	Total
0	60,960.6	0	0	0	0	60,960.6
	100.00	0.00	0.00	0.00	0.00	100.00
.17	2,971.424	131,618.7	0	0	0	134,590.2
	2.21	97.79	0.00	0.00	0.00	100.00
.3	0	616.7937	89,710.52	0	0	90,327.31
	0.00	0.68	99.32	0.00	0.00	100.00
.42	0	0	0	9,105.64	0	9,105.64
	0.00	0.00	0.00	100.00	0.00	100.00
.47	0	0	0	0	12,845.28	12,845.28
	0.00	0.00	0.00	0.00	100.00	100.00
Total	63,932.02	132,235.5	89,710.52	9,105.64	12,845.28	307,829
	20.77	42.96	29.14	2.96	4.17	100.00

TABLE 148: Transition matrix between tax bracket in 2003/04 and 2005/06 if there would be no further indexing (Balance of SA)

Key
frequency
row percentage

taxbracket _jan04tru	taxbracket_jan06tru 0	.17	.3	.42	.47	Total
0	59,432.73	823.0733	0	0	0	60,255.8
	98.63	1.37	0.00	0.00	0.00	100.00
.17	698.1706	126,427.3	5,119.317	0	0	132,244.7
	0.53	95.60	3.87	0.00	0.00	100.00
.3	0	0	84,981.09	5,384.899	0	90,365.99
	0.00	0.00	94.04	5.96	0.00	100.00
.42	0	0	0	3,011.543	5,803.421	8,814.964
	0.00	0.00	0.00	34.16	65.84	100.00
.47	0	0	0	0	16,147.5	16,147.5
	0.00	0.00	0.00	0.00	100.00	100.00
Total	60,130.9	127,250.3	90,100.4	8,396.442	21,950.92	307,829
	19.53	41.34	29.27	2.73	7.13	100.00

TABLE 149: Transition matrix between tax bracket in 2003/04 and 2005/06 if the 2005/06 tax tresholds be set such as to reflect CPI indexing since 2000/01 (Balance of SA)

taxbracket _jan04tru	taxbracket_jan06cpi 0	.17	.3	.42	.47	Total
0	60,255.8	0	0	0	0	60,255.8
	100.00	0.00	0.00	0.00	0.00	100.00
.17	698.1706	131,546.6	0	0	0	132,244.7
	0.53	99.47	0.00	0.00	0.00	100.00
.3	0	0	90,365.99	0	0	90,365.99
	0.00	0.00	100.00	0.00	0.00	100.00
.42	0	0	0	8,814.964	0	8,814.964
	0.00	0.00	0.00	100.00	0.00	100.00
.47	0	0	0	1,409.628	14,737.87	16,147.5
	0.00	0.00	0.00	8.73	91.27	100.00
Total	60,953.97	131,546.6	90,365.99	10,224.59	14,737.87	307,829
	19.80	42.73	29.36	3.32	4.79	100.00

TABLE 150: Transition matrix between tax bracket in 2003/04 and 2005/06 if the 2005/06 tax tresholds be set such as to reflect AWE indexing since 2000/01 (Balance of SA)

```
+----------------+
| Key            |
|----------------|
|   frequency    |
| row percentage |
+----------------+
```

taxbracket _jan04tru	taxbracket_jan06awe 0	.17	.3	.42	.47	Total
0	60,255.8	0	0	0	0	60,255.8
	100.00	0.00	0.00	0.00	0.00	100.00
.17	3,676.22	128,568.5	0	0	0	132,244.7
	2.78	97.22	0.00	0.00	0.00	100.00
.3	0	3,667.013	86,698.97	0	0	90,365.99
	0.00	4.06	95.94	0.00	0.00	100.00
.42	0	0	3,011.543	5,803.421	0	8,814.964
	0.00	0.00	34.16	65.84	0.00	100.00
.47	0	0	0	3,302.219	12,845.28	16,147.5
	0.00	0.00	0.00	20.45	79.55	100.00
Total	63,932.02	132,235.5	89,710.52	9,105.64	12,845.28	307,829
	20.77	42.96	29.14	2.96	4.17	100.00

HOBART

TABLE 151: Transition matrix between tax bracket in 2000/01 and 2003/04 (Hobart)

Key
frequency
row percentage

taxbracket _jan01tru	taxbracket_jan04tru 0	.17	.3	.42	.47	Total
0	30,969.79	1,240.882	0	0	0	32,210.68
	96.15	3.85	0.00	0.00	0.00	100.00
.17	0	49,285.03	1,594.877	0	0	50,879.91
	0.00	96.87	3.13	0.00	0.00	100.00
.3	0	0	49,433.79	6,028.511	0	55,462.3
	0.00	0.00	89.13	10.87	0.00	100.00
.42	0	0	0	6,690.616	2,916.726	9,607.342
	0.00	0.00	0.00	69.64	30.36	100.00
.47	0	0	0	0	3,002.773	3,002.773
	0.00	0.00	0.00	0.00	100.00	100.00
Total	30,969.79	50,525.91	51,028.67	12,719.13	5,919.499	151,163
	20.49	33.42	33.76	8.41	3.92	100.00

TABLE 152: Transition matrix between tax bracket in 2000/01 and 2003/04 had there been no indexing since 2000/01 (Hobart)

taxbracket _jan01tru	taxbracket_jan04niw 0	.17	.3	.42	.47	Total
0	30,969.79	1,240.882	0	0	0	32,210.68
	96.15	3.85	0.00	0.00	0.00	100.00
.17	0	47,727.92	3,151.987	0	0	50,879.91
	0.00	93.81	6.19	0.00	0.00	100.00
.3	0	0	48,604.74	6,857.557	0	55,462.3
	0.00	0.00	87.64	12.36	0.00	100.00
.42	0	0	0	6,690.616	2,916.726	9,607.342
	0.00	0.00	0.00	69.64	30.36	100.00
.47	0	0	0	0	3,002.773	3,002.773
	0.00	0.00	0.00	0.00	100.00	100.00
Total	30,969.79	48,968.8	51,756.73	13,548.17	5,919.499	151,163
	20.49	32.39	34.24	8.96	3.92	100.00

TABLE 153: Transition matrix between tax bracket in 2000/01 and 2003/04 had there been indexing by CPI since 2000/01 (Hobart)

Key
frequency
row percentage

taxbracket _jan01tru	taxbracket_jan04cpi 0	.17	.3	.42	.47	Total
0	32,210.68	0	0	0	0	32,210.68
	100.00	0.00	0.00	0.00	0.00	100.00
.17	341.4514	49,327.47	1,210.993	0	0	50,879.91
	0.67	96.95	2.38	0.00	0.00	100.00
.3	0	0	54,203.08	1,259.215	0	55,462.3
	0.00	0.00	97.73	2.27	0.00	100.00
.42	0	0	0	7,294.179	2,313.163	9,607.342
	0.00	0.00	0.00	75.92	24.08	100.00
.47	0	0	0	0	3,002.773	3,002.773
	0.00	0.00	0.00	0.00	100.00	100.00
Total	32,552.13	49,327.47	55,414.08	8,553.394	5,315.936	151,163
	21.53	32.63	36.66	5.66	3.52	100.00

TABLE 154: Transition matrix between tax bracket in 2000/01 and 2003/04 had there been indexing by AWE since 2000/01 (Hobart)

taxbracket _jan01tru	taxbracket_jan04awe 0	.17	.3	.42	.47	Total
0	32,210.68	0	0	0	0	32,210.68
	100.00	0.00	0.00	0.00	0.00	100.00
.17	750.2984	50,129.61	0	0	0	50,879.91
	1.47	98.53	0.00	0.00	0.00	100.00
.3	0	379.6573	55,082.64	0	0	55,462.3
	0.00	0.68	99.32	0.00	0.00	100.00
.42	0	0	2,226.6	7,380.742	0	9,607.342
	0.00	0.00	23.18	76.82	0.00	100.00
.47	0	0	0	638.3133	2,364.46	3,002.773
	0.00	0.00	0.00	21.26	78.74	100.00
Total	32,960.97	50,509.27	57,309.24	8,019.055	2,364.46	151,163
	21.80	33.41	37.91	5.30	1.56	100.00

TABLE 155: Transition matrix between tax bracket in 2000/01 and 2005/06 if there be no further indexing (Hobart)

```
+----------------+
| Key            |
|----------------|
|   frequency    |
| row percentage |
+----------------+
```

taxbracket _jan01tru	taxbracket_jan06tru 0	.17	.3	.42	.47	Total
0	30,598.1	1,612.572	0	0	0	32,210.68
	94.99	5.01	0.00	0.00	0.00	100.00
.17	0	47,727.92	3,151.987	0	0	50,879.91
	0.00	93.81	6.19	0.00	0.00	100.00
.3	0	0	47,479.5	7,982.796	0	55,462.3
	0.00	0.00	85.61	14.39	0.00	100.00
.42	0	0	0	3,780.193	5,827.149	9,607.342
	0.00	0.00	0.00	39.35	60.65	100.00
.47	0	0	0	0	3,002.773	3,002.773
	0.00	0.00	0.00	0.00	100.00	100.00
Total	30,598.1	49,340.5	50,631.49	11,762.99	8,829.922	151,163
	20.24	32.64	33.49	7.78	5.84	100.00

TABLE 156: Transition matrix between tax bracket in 2000/01 and 2005/06 if there had been no indexing since 2000/01 and there will not be any indexing in the future (Hobart)

taxbracket _jan01tru	taxbracket_jan06niw 0	.17	.3	.42	.47	Total
0	30,598.1	1,612.572	0	0	0	32,210.68
	94.99	5.01	0.00	0.00	0.00	100.00
.17	0	44,447.32	6,432.59	0	0	50,879.91
	0.00	87.36	12.64	0.00	0.00	100.00
.3	0	0	45,234.93	9,779.242	448.1297	55,462.3
	0.00	0.00	81.56	17.63	0.81	100.00
.42	0	0	0	1,148.216	8,459.126	9,607.342
	0.00	0.00	0.00	11.95	88.05	100.00
.47	0	0	0	0	3,002.773	3,002.773
	0.00	0.00	0.00	0.00	100.00	100.00
Total	30,598.1	46,059.89	51,667.52	10,927.46	11,910.03	151,163
	20.24	30.47	34.18	7.23	7.88	100.00

TABLE 157: Transition matrix between tax bracket in 2000/01 and 2005/06 if there would have been CPI indexing since 2000/01 (Hobart)

```
+----------------+
| Key            |
|----------------|
|   frequency    |
| row percentage |
+----------------+
```

taxbracket _jan01tru	taxbracket_jan06cpi 0	.17	.3	.42	.47	Total
0	31,790.92	419.7588	0	0	0	32,210.68
	98.70	1.30	0.00	0.00	0.00	100.00
.17	750.2984	48,181.32	1,948.291	0	0	50,879.91
	1.47	94.70	3.83	0.00	0.00	100.00
.3	0	0	50,905.68	4,556.62	0	55,462.3
	0.00	0.00	91.78	8.22	0.00	100.00
.42	0	0	0	6,690.616	2,916.726	9,607.342
	0.00	0.00	0.00	69.64	30.36	100.00
.47	0	0	0	0	3,002.773	3,002.773
	0.00	0.00	0.00	0.00	100.00	100.00
Total	32,541.22	48,601.08	52,853.97	11,247.24	5,919.499	151,163
	21.53	32.15	34.96	7.44	3.92	100.00

TABLE 158: Transition matrix between tax bracket in 2000/01 and 2005/06 if there would be AWE indexing since 2000/01 (Hobart)

taxbracket _jan01tru	taxbracket_jan06awe 0	.17	.3	.42	.47	Total
0	32,210.68	0	0	0	0	32,210.68
	100.00	0.00	0.00	0.00	0.00	100.00
.17	750.2984	50,129.61	0	0	0	50,879.91
	1.47	98.53	0.00	0.00	0.00	100.00
.3	0	379.6573	55,082.64	0	0	55,462.3
	0.00	0.68	99.32	0.00	0.00	100.00
.42	0	0	2,226.6	7,380.742	0	9,607.342
	0.00	0.00	23.18	76.82	0.00	100.00
.47	0	0	0	638.3133	2,364.46	3,002.773
	0.00	0.00	0.00	21.26	78.74	100.00
Total	32,960.97	50,509.27	57,309.24	8,019.055	2,364.46	151,163
	21.80	33.41	37.91	5.30	1.56	100.00

TABLE 159: Transition matrix between tax bracket in 2003/04 and 2005/06 if there would be no further indexing (Hobart)

Key
frequency
row percentage

taxbracket _jan04tru	taxbracket_jan06tru 0	.17	.3	.42	.47	Total
0	30,598.1	371.6907	0	0	0	30,969.79
	98.80	1.20	0.00	0.00	0.00	100.00
.17	0	48,968.8	1,557.11	0	0	50,525.91
	0.00	96.92	3.08	0.00	0.00	100.00
.3	0	0	49,074.38	1,954.285	0	51,028.67
	0.00	0.00	96.17	3.83	0.00	100.00
.42	0	0	0	9,808.704	2,910.423	12,719.13
	0.00	0.00	0.00	77.12	22.88	100.00
.47	0	0	0	0	5,919.499	5,919.499
	0.00	0.00	0.00	0.00	100.00	100.00
Total	30,598.1	49,340.5	50,631.49	11,762.99	8,829.922	151,163
	20.24	32.64	33.49	7.78	5.84	100.00

TABLE 160: Transition matrix between tax bracket in 2003/04 and 2005/06 if the 2005/06 tax tresholds be set such as to reflect CPI indexing since 2000/01 (Hobart)

taxbracket _jan04tru	taxbracket_jan06cpi 0	.17	.3	.42	.47	Total
0	30,969.79	0	0	0	0	30,969.79
	100.00	0.00	0.00	0.00	0.00	100.00
.17	1,571.421	48,601.08	353.4135	0	0	50,525.91
	3.11	96.19	0.70	0.00	0.00	100.00
.3	0	0	51,028.67	0	0	51,028.67
	0.00	0.00	100.00	0.00	0.00	100.00
.42	0	0	1,471.891	11,247.24	0	12,719.13
	0.00	0.00	11.57	88.43	0.00	100.00
.47	0	0	0	0	5,919.499	5,919.499
	0.00	0.00	0.00	0.00	100.00	100.00
Total	32,541.22	48,601.08	52,853.97	11,247.24	5,919.499	151,163
	21.53	32.15	34.96	7.44	3.92	100.00

TABLE 161: Transition matrix between tax bracket in 2003/04 and 2005/06 if the 2005/06 tax tresholds be set such as to reflect AWE indexing since 2000/01 (Hobart)

Key
frequency
row percentage

taxbracket _jan04tru	taxbracket_jan06awe 0	.17	.3	.42	.47	Total
0	30,969.79	0	0	0	0	30,969.79
	100.00	0.00	0.00	0.00	0.00	100.00
.17	1,991.18	48,534.73	0	0	0	50,525.91
	3.94	96.06	0.00	0.00	0.00	100.00
.3	0	1,974.534	49,054.13	0	0	51,028.67
	0.00	3.87	96.13	0.00	0.00	100.00
.42	0	0	8,255.111	4,464.016	0	12,719.13
	0.00	0.00	64.90	35.10	0.00	100.00
.47	0	0	0	3,555.039	2,364.46	5,919.499
	0.00	0.00	0.00	60.06	39.94	100.00
Total	32,960.97	50,509.27	57,309.24	8,019.055	2,364.46	151,163
	21.80	33.41	37.91	5.30	1.56	100.00

BALANCE OF TAS

TABLE 162: Transition matrix between tax bracket in 2000/01 and 2003/04 (Balance of Tasmania)

Key
frequency
row percentage

taxbracket _jan01tru	taxbracket_jan04tru 0	.17	.3	.42	.47	Total
0	47,381.94	1,336.09	0	0	0	48,718.03
	97.26	2.74	0.00	0.00	0.00	100.00
.17	405.6301	84,901.81	905.5467	0	0	86,212.99
	0.47	98.48	1.05	0.00	0.00	100.00
.3	0	0	64,412.33	3,411.934	0	67,824.26
	0.00	0.00	94.97	5.03	0.00	100.00
.42	0	0	0	4,478.159	2,981.643	7,459.802
	0.00	0.00	0.00	60.03	39.97	100.00
.47	0	0	0	0	2,393.918	2,393.918
	0.00	0.00	0.00	0.00	100.00	100.00
Total	47,787.57	86,237.9	65,317.88	7,890.092	5,375.561	212,609
	22.48	40.56	30.72	3.71	2.53	100.00

TABLE 163: Transition matrix between tax bracket in 2000/01 and 2003/04 had there been no indexing since 2000/01 (Balance of Tasmania)

taxbracket _jan01tru	taxbracket_jan04niw 0	.17	.3	.42	.47	Total
0	47,381.94	1,336.09	0	0	0	48,718.03
	97.26	2.74	0.00	0.00	0.00	100.00
.17	405.6301	80,798.05	5,009.304	0	0	86,212.99
	0.47	93.72	5.81	0.00	0.00	100.00
.3	0	0	63,040.72	4,783.545	0	67,824.26
	0.00	0.00	92.95	7.05	0.00	100.00
.42	0	0	0	2,543.884	4,915.918	7,459.802
	0.00	0.00	0.00	34.10	65.90	100.00
.47	0	0	0	0	2,393.918	2,393.918
	0.00	0.00	0.00	0.00	100.00	100.00
Total	47,787.57	82,134.14	68,050.02	7,327.429	7,309.836	212,609
	22.48	38.63	32.01	3.45	3.44	100.00

TABLE 164: Transition matrix between tax bracket in 2000/01 and 2003/04 had there been indexing by CPI since 2000/01 (Balance of Tasmania)

Key
frequency
row percentage

taxbracket _jan01tru	taxbracket_jan04cpi 0	.17	.3	.42	.47	Total
0	48,071.36	646.6679	0	0	0	48,718.03
	98.67	1.33	0.00	0.00	0.00	100.00
.17	837.8856	84,469.55	905.5467	0	0	86,212.99
	0.97	97.98	1.05	0.00	0.00	100.00
.3	0	290.1722	65,831.89	1,702.205	0	67,824.26
	0.00	0.43	97.06	2.51	0.00	100.00
.42	0	0	0	6,246.094	1,213.708	7,459.802
	0.00	0.00	0.00	83.73	16.27	100.00
.47	0	0	0	0	2,393.918	2,393.918
	0.00	0.00	0.00	0.00	100.00	100.00
Total	48,909.25	85,406.39	66,737.43	7,948.299	3,607.626	212,609
	23.00	40.17	31.39	3.74	1.70	100.00

TABLE 165: Transition matrix between tax bracket in 2000/01 and 2003/04 had there been indexing by AWE since 2000/01 (Balance of Tasmania)

taxbracket _jan01tru	taxbracket_jan04awe 0	.17	.3	.42	.47	Total
0	48,718.03	0	0	0	0	48,718.03
	100.00	0.00	0.00	0.00	0.00	100.00
.17	837.8856	85,375.1	0	0	0	86,212.99
	0.97	99.03	0.00	0.00	0.00	100.00
.3	0	1,312.376	66,511.89	0	0	67,824.26
	0.00	1.93	98.07	0.00	0.00	100.00
.42	0	0	384.0094	7,075.792	0	7,459.802
	0.00	0.00	5.15	94.85	0.00	100.00
.47	0	0	0	0	2,393.918	2,393.918
	0.00	0.00	0.00	0.00	100.00	100.00
Total	49,555.92	86,687.48	66,895.9	7,075.792	2,393.918	212,609
	23.31	40.77	31.46	3.33	1.13	100.00

TABLE 166: Transition matrix between tax bracket in 2000/01 and 2005/06 if there be no further indexing (Balance of Tasmania)

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+----------------+
| Key            |
|----------------|
|   frequency    |
| row percentage |
+----------------+
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taxbracket _jan01tru	taxbracket_jan06tru 0	.17	.3	.42	.47	Total
0	46,169.95	2,548.085	0	0	0	48,718.03
	94.77	5.23	0.00	0.00	0.00	100.00
.17	405.6301	80,798.05	5,009.304	0	0	86,212.99
	0.47	93.72	5.81	0.00	0.00	100.00
.3	0	0	59,699.01	8,125.249	0	67,824.26
	0.00	0.00	88.02	11.98	0.00	100.00
.42	0	0	0	727.5604	6,732.241	7,459.802
	0.00	0.00	0.00	9.75	90.25	100.00
.47	0	0	0	0	2,393.918	2,393.918
	0.00	0.00	0.00	0.00	100.00	100.00
Total	46,575.58	83,346.14	64,708.32	8,852.81	9,126.159	212,609
	21.91	39.20	30.44	4.16	4.29	100.00

TABLE 167: Transition matrix between tax bracket in 2000/01 and 2005/06 if there had been no indexing since 2000/01 and there will not be any indexing in the future (Balance of Tasmania)

taxbracket _jan01tru	taxbracket_jan06niw 0	.17	.3	.42	.47	Total
0	46,169.95	2,548.085	0	0	0	48,718.03
	94.77	5.23	0.00	0.00	0.00	100.00
.17	405.6301	77,197.51	8,609.842	0	0	86,212.99
	0.47	89.54	9.99	0.00	0.00	100.00
.3	0	0	56,433.44	10,148.96	1,241.861	67,824.26
	0.00	0.00	83.21	14.96	1.83	100.00
.42	0	0	0	0	7,459.802	7,459.802
	0.00	0.00	0.00	0.00	100.00	100.00
.47	0	0	0	0	2,393.918	2,393.918
	0.00	0.00	0.00	0.00	100.00	100.00
Total	46,575.58	79,745.6	65,043.28	10,148.96	11,095.58	212,609
	21.91	37.51	30.59	4.77	5.22	100.00

TABLE 168: Transition matrix between tax bracket in 2000/01 and 2005/06 if there would have been CPI indexing since 2000/01 (Balance of Tasmania)

Key
frequency
row percentage

taxbracket _jan01tru	taxbracket_jan06cpi 0	.17	.3	.42	.47	Total
0	48,071.36	646.6679	0	0	0	48,718.03
	98.67	1.33	0.00	0.00	0.00	100.00
.17	837.8856	82,899.29	2,475.811	0	0	86,212.99
	0.97	96.16	2.87	0.00	0.00	100.00
.3	0	290.1722	64,496.19	3,037.899	0	67,824.26
	0.00	0.43	95.09	4.48	0.00	100.00
.42	0	0	0	5,262.852	2,196.949	7,459.802
	0.00	0.00	0.00	70.55	29.45	100.00
.47	0	0	0	0	2,393.918	2,393.918
	0.00	0.00	0.00	0.00	100.00	100.00
Total	48,909.25	83,836.13	66,972	8,300.751	4,590.867	212,609
	23.00	39.43	31.50	3.90	2.16	100.00

TABLE 169: Transition matrix between tax bracket in 2000/01 and 2005/06 if there would be AWE indexing since 2000/01 (Balance of Tasmania)

taxbracket _jan01tru	taxbracket_jan06awe 0	.17	.3	.42	.47	Total
0	48,718.03	0	0	0	0	48,718.03
	100.00	0.00	0.00	0.00	0.00	100.00
.17	837.8856	85,375.1	0	0	0	86,212.99
	0.97	99.03	0.00	0.00	0.00	100.00
.3	0	1,312.376	66,511.89	0	0	67,824.26
	0.00	1.93	98.07	0.00	0.00	100.00
.42	0	0	384.0094	7,075.792	0	7,459.802
	0.00	0.00	5.15	94.85	0.00	100.00
.47	0	0	0	0	2,393.918	2,393.918
	0.00	0.00	0.00	0.00	100.00	100.00
Total	49,555.92	86,687.48	66,895.9	7,075.792	2,393.918	212,609
	23.31	40.77	31.46	3.33	1.13	100.00

TABLE 170: Transition matrix between tax bracket in 2003/04 and 2005/06 if there would be no further indexing (Balance of Tasmania)

Key
frequency
row percentage

taxbracket _jan04tru	taxbracket_jan06tru 0	.17	.3	.42	.47	Total
0	46,575.58	1,211.995	0	0	0	47,787.57
	97.46	2.54	0.00	0.00	0.00	100.00
.17	0	82,134.14	4,103.757	0	0	86,237.9
	0.00	95.24	4.76	0.00	0.00	100.00
.3	0	0	60,604.56	4,713.316	0	65,317.88
	0.00	0.00	92.78	7.22	0.00	100.00
.42	0	0	0	4,139.494	3,750.598	7,890.092
	0.00	0.00	0.00	52.46	47.54	100.00
.47	0	0	0	0	5,375.561	5,375.561
	0.00	0.00	0.00	0.00	100.00	100.00
Total	46,575.58	83,346.14	64,708.32	8,852.81	9,126.159	212,609
	21.91	39.20	30.44	4.16	4.29	100.00

TABLE 171: Transition matrix between tax bracket in 2003/04 and 2005/06 if the 2005/06 tax tresholds be set such as to reflect CPI indexing since 2000/01 (Balance of Tasmania)

taxbracket _jan04tru	taxbracket_jan06cpi 0	.17	.3	.42	.47	Total
0	47,787.57	0	0	0	0	47,787.57
	100.00	0.00	0.00	0.00	0.00	100.00
.17	1,121.678	83,545.96	1,570.264	0	0	86,237.9
	1.30	96.88	1.82	0.00	0.00	100.00
.3	0	290.1722	65,027.7	0	0	65,317.88
	0.00	0.44	99.56	0.00	0.00	100.00
.42	0	0	374.0347	7,516.058	0	7,890.092
	0.00	0.00	4.74	95.26	0.00	100.00
.47	0	0	0	784.6937	4,590.867	5,375.561
	0.00	0.00	0.00	14.60	85.40	100.00
Total	48,909.25	83,836.13	66,972	8,300.751	4,590.867	212,609
	23.00	39.43	31.50	3.90	2.16	100.00

TABLE 172: Transition matrix between tax bracket in 2003/04 and 2005/06 if the 2005/06 tax tresholds be set such as to reflect AWE indexing since 2000/01 (Balance of Tasmania)

Key
frequency
row percentage

taxbracket _jan04tru	taxbracket_jan06awe 0	.17	.3	.42	.47	Total
0	47,787.57	0	0	0	0	47,787.57
	100.00	0.00	0.00	0.00	0.00	100.00
.17	1,768.346	84,469.55	0	0	0	86,237.9
	2.05	97.95	0.00	0.00	0.00	100.00
.3	0	2,217.923	63,099.95	0	0	65,317.88
	0.00	3.40	96.60	0.00	0.00	100.00
.42	0	0	3,795.943	4,094.149	0	7,890.092
	0.00	0.00	48.11	51.89	0.00	100.00
.47	0	0	0	2,981.643	2,393.918	5,375.561
	0.00	0.00	0.00	55.47	44.53	100.00
Total	49,555.92	86,687.48	66,895.9	7,075.792	2,393.918	212,609
	23.31	40.77	31.46	3.33	1.13	100.00

MELBOURNE

TABLE 173: Transition matrix between tax bracket in 2000/01 and 2003/04 (Melbourne)

Key
frequency
row percentage

taxbracket _jan01tru	taxbracket_jan04tru 0	.17	.3	.42	.47	Total
0	512,622.4	25,615.98	0	0	0	538,238.4
	95.24	4.76	0.00	0.00	0.00	100.00
.17	7,468.232	860,285.7	22,553.83	0	0	890,307.8
	0.84	96.63	2.53	0.00	0.00	100.00
.3	0	0	883,370.5	75,702.85	0	959,073.4
	0.00	0.00	92.11	7.89	0.00	100.00
.42	0	0	0	101,210.1	40,339.88	141,550
	0.00	0.00	0.00	71.50	28.50	100.00
.47	0	0	0	0	241,656.7	241,656.7
	0.00	0.00	0.00	0.00	100.00	100.00
Total	520,090.7	885,901.7	905,924.4	176,912.9	281,996.6	2770826.2
	18.77	31.97	32.70	6.38	10.18	100.00

TABLE 174: Transition matrix between tax bracket in 2000/01 and 2003/04 had there been no indexing since 2000/01 (Melbourne)

taxbracket _jan01tru	taxbracket_jan04niw 0	.17	.3	.42	.47	Total
0	512,622.4	25,615.98	0	0	0	538,238.4
	95.24	4.76	0.00	0.00	0.00	100.00
.17	7,468.232	822,814.9	60,024.63	0	0	890,307.8
	0.84	92.42	6.74	0.00	0.00	100.00
.3	0	0	864,254.9	94,818.5	0	959,073.4
	0.00	0.00	90.11	9.89	0.00	100.00
.42	0	0	0	66,456.53	75,093.43	141,550
	0.00	0.00	0.00	46.95	53.05	100.00
.47	0	0	0	0	241,656.7	241,656.7
	0.00	0.00	0.00	0.00	100.00	100.00
Total	520,090.7	848,430.9	924,279.5	161,275	316,750.1	2770826.2
	18.77	30.62	33.36	5.82	11.43	100.00

TABLE 175: Transition matrix between tax bracket in 2000/01 and 2003/04 had there been indexing by CPI since 2000/01 (Melbourne)

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+----------------+
| Key            |
|----------------|
|   frequency    |
| row percentage |
+----------------+
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taxbracket _jan01tru	taxbracket_jan04cpi 0	.17	.3	.42	.47	Total
0	532,743	5,495.386	0	0	0	538,238.4
	98.98	1.02	0.00	0.00	0.00	100.00
.17	7,468.232	865,179.4	17,660.18	0	0	890,307.8
	0.84	97.18	1.98	0.00	0.00	100.00
.3	0	0	931,860	27,213.37	0	959,073.4
	0.00	0.00	97.16	2.84	0.00	100.00
.42	0	0	0	127,997.3	13,552.65	141,550
	0.00	0.00	0.00	90.43	9.57	100.00
.47	0	0	0	0	241,656.7	241,656.7
	0.00	0.00	0.00	0.00	100.00	100.00
Total	540,211.3	870,674.8	949,520.2	155,210.7	255,209.3	2770826.2
	19.50	31.42	34.27	5.60	9.21	100.00

TABLE 176: Transition matrix between tax bracket in 2000/01 and 2003/04 had there been indexing by AWE since 2000/01 (Melbourne)

taxbracket _jan01tru	taxbracket_jan04awe 0	.17	.3	.42	.47	Total
0	537,116.3	1,122.119	0	0	0	538,238.4
	99.79	0.21	0.00	0.00	0.00	100.00
.17	18,400	870,741	1,166.799	0	0	890,307.8
	2.07	97.80	0.13	0.00	0.00	100.00
.3	0	4,153.955	953,356.3	1,563.168	0	959,073.4
	0.00	0.43	99.40	0.16	0.00	100.00
.42	0	0	13,605.58	127,944.4	0	141,550
	0.00	0.00	9.61	90.39	0.00	100.00
.47	0	0	0	4,131.077	237,525.6	241,656.7
	0.00	0.00	0.00	1.71	98.29	100.00
Total	555,516.3	876,017.1	968,128.7	133,638.6	237,525.6	2770826.2
	20.05	31.62	34.94	4.82	8.57	100.00

TABLE 177: Transition matrix between tax bracket in 2000/01 and 2005/06 if there be no further indexing (Melbourne)

Key
frequency
row percentage

taxbracket _jan01tru	taxbracket_jan06tru 0	.17	.3	.42	.47	Total
0	504,903.6	33,334.81	0	0	0	538,238.4
	93.81	6.19	0.00	0.00	0.00	100.00
.17	7,468.232	822,814.9	60,024.63	0	0	890,307.8
	0.84	92.42	6.74	0.00	0.00	100.00
.3	0	0	828,589.4	130,484	0	959,073.4
	0.00	0.00	86.39	13.61	0.00	100.00
.42	0	0	0	27,713.19	113,836.8	141,550
	0.00	0.00	0.00	19.58	80.42	100.00
.47	0	0	0	0	241,656.7	241,656.7
	0.00	0.00	0.00	0.00	100.00	100.00
Total	512,371.8	856,149.7	888,614	158,197.2	355,493.4	2770826.2
	18.49	30.90	32.07	5.71	12.83	100.00

TABLE 178: Transition matrix between tax bracket in 2000/01 and 2005/06 if there had been no indexing since 2000/01 and there will not be any indexing in the future (Melbourne)

taxbracket _jan01tru	taxbracket_jan06niw 0	.17	.3	.42	.47	Total
0	504,903.6	33,334.81	0	0	0	538,238.4
	93.81	6.19	0.00	0.00	0.00	100.00
.17	7,468.232	792,995	89,844.54	0	0	890,307.8
	0.84	89.07	10.09	0.00	0.00	100.00
.3	0	0	775,193	173,943.6	9,936.892	959,073.4
	0.00	0.00	80.83	18.14	1.04	100.00
.42	0	0	0	9,441.632	132,108.3	141,550
	0.00	0.00	0.00	6.67	93.33	100.00
.47	0	0	0	0	241,656.7	241,656.7
	0.00	0.00	0.00	0.00	100.00	100.00
Total	512,371.8	826,329.8	865,037.5	183,385.2	383,701.9	2770826.2
	18.49	29.82	31.22	6.62	13.85	100.00

TABLE 179: Transition matrix between tax bracket in 2000/01 and 2005/06 if there would have been CPI indexing since 2000/01 (Melbourne)

```
+----------------+
| Key            |
|----------------|
|   frequency    |
| row percentage |
+----------------+
```

taxbracket _jan01tru	taxbracket_jan06cpi 0	.17	.3	.42	.47	Total
0	528,644.9	9,593.555	0	0	0	538,238.4
	98.22	1.78	0.00	0.00	0.00	100.00
.17	8,584.359	851,385	30,338.45	0	0	890,307.8
	0.96	95.63	3.41	0.00	0.00	100.00
.3	0	0	903,381.7	55,691.69	0	959,073.4
	0.00	0.00	94.19	5.81	0.00	100.00
.42	0	0	0	111,051.5	30,498.48	141,550
	0.00	0.00	0.00	78.45	21.55	100.00
.47	0	0	0	0	241,656.7	241,656.7
	0.00	0.00	0.00	0.00	100.00	100.00
Total	537,229.2	860,978.5	933,720.2	166,743.2	272,155.1	2770826.2
	19.39	31.07	33.70	6.02	9.82	100.00

TABLE 180: Transition matrix between tax bracket in 2000/01 and 2005/06 if there would be AWE indexing since 2000/01 (Melbourne)

taxbracket _jan01tru	taxbracket_jan06awe 0	.17	.3	.42	.47	Total
0	537,116.3	1,122.119	0	0	0	538,238.4
	99.79	0.21	0.00	0.00	0.00	100.00
.17	21,632.9	867,508.1	1,166.799	0	0	890,307.8
	2.43	97.44	0.13	0.00	0.00	100.00
.3	0	4,153.955	953,356.3	1,563.168	0	959,073.4
	0.00	0.43	99.40	0.16	0.00	100.00
.42	0	0	13,605.58	127,944.4	0	141,550
	0.00	0.00	9.61	90.39	0.00	100.00
.47	0	0	0	4,131.077	237,525.6	241,656.7
	0.00	0.00	0.00	1.71	98.29	100.00
Total	558,749.2	872,784.2	968,128.7	133,638.6	237,525.6	2770826.2
	20.17	31.50	34.94	4.82	8.57	100.00

TABLE 181: Transition matrix between tax bracket in 2003/04 and 2005/06 if there would be no further indexing (Melbourne)

```
+----------------+
| Key            |
|----------------|
|   frequency    |
| row percentage |
+----------------+
```

taxbracket _jan04tru	taxbracket_jan06tru 0	.17	.3	.42	.47	Total
0	512,371.8	7,718.828	0	0	0	520,090.7
	98.52	1.48	0.00	0.00	0.00	100.00
.17	0	848,430.9	37,470.8	0	0	885,901.7
	0.00	95.77	4.23	0.00	0.00	100.00
.3	0	0	851,143.2	54,781.14	0	905,924.4
	0.00	0.00	93.95	6.05	0.00	100.00
.42	0	0	0	103,416	73,496.89	176,912.9
	0.00	0.00	0.00	58.46	41.54	100.00
.47	0	0	0	0	281,996.6	281,996.6
	0.00	0.00	0.00	0.00	100.00	100.00
Total	512,371.8	856,149.7	888,614	158,197.2	355,493.4	2770826.2
	18.49	30.90	32.07	5.71	12.83	100.00

TABLE 182: Transition matrix between tax bracket in 2003/04 and 2005/06 if the 2005/06 tax tresholds be set such as to reflect CPI indexing since 2000/01 (Melbourne)

taxbracket _jan04tru	taxbracket_jan06cpi 0	.17	.3	.42	.47	Total
0	520,090.7	0	0	0	0	520,090.7
	100.00	0.00	0.00	0.00	0.00	100.00
.17	17,138.55	860,978.5	7,784.62	0	0	885,901.7
	1.93	97.19	0.88	0.00	0.00	100.00
.3	0	0	905,924.4	0	0	905,924.4
	0.00	0.00	100.00	0.00	0.00	100.00
.42	0	0	20,011.16	156,901.8	0	176,912.9
	0.00	0.00	11.31	88.69	0.00	100.00
.47	0	0	0	9,841.406	272,155.1	281,996.6
	0.00	0.00	0.00	3.49	96.51	100.00
Total	537,229.2	860,978.5	933,720.2	166,743.2	272,155.1	2770826.2
	19.39	31.07	33.70	6.02	9.82	100.00

TABLE 183: Transition matrix between tax bracket in 2003/04 and 2005/06 if the 2005/06 tax tresholds be set such as to reflect AWE indexing since 2000/01 (Melbourne)

Key
frequency
row percentage

taxbracket _jan04tru	taxbracket_jan06awe 0	.17	.3	.42	.47	Total
0	520,090.7	0	0	0	0	520,090.7
	100.00	0.00	0.00	0.00	0.00	100.00
.17	38,658.52	847,243.2	0	0	0	885,901.7
	4.36	95.64	0.00	0.00	0.00	100.00
.3	0	25,540.99	880,383.4	0	0	905,924.4
	0.00	2.82	97.18	0.00	0.00	100.00
.42	0	0	87,745.26	89,167.67	0	176,912.9
	0.00	0.00	49.60	50.40	0.00	100.00
.47	0	0	0	44,470.96	237,525.6	281,996.6
	0.00	0.00	0.00	15.77	84.23	100.00
Total	558,749.2	872,784.2	968,128.7	133,638.6	237,525.6	2770826.2
	20.17	31.50	34.94	4.82	8.57	100.00

BALANCE OF VIC

TABLE 184: Transition matrix between tax bracket in 2000/01 and 2003/04 (Balance of VIC)

Key
frequency
row percentage

taxbracket _jan01tru	taxbracket_jan04tru 0	.17	.3	.42	.47	Total
0	174,593.5	2,047.19	0	0	0	176,640.7
	98.84	1.16	0.00	0.00	0.00	100.00
.17	0	363,577.8	6,344.411	0	0	369,922.2
	0.00	98.28	1.72	0.00	0.00	100.00
.3	0	0	318,516.5	19,829.61	0	338,346.1
	0.00	0.00	94.14	5.86	0.00	100.00
.42	0	0	0	29,127.34	32,571.1	61,698.44
	0.00	0.00	0.00	47.21	52.79	100.00
.47	0	0	0	0	47,768.48	47,768.48
	0.00	0.00	0.00	0.00	100.00	100.00
Total	174,593.5	365,625	324,861	48,956.94	80,339.58	994,376
	17.56	36.77	32.67	4.92	8.08	100.00

TABLE 185: Transition matrix between tax bracket in 2000/01 and 2003/04 had there been no indexing since 2000/01 (Balance of VIC)

taxbracket _jan01tru	taxbracket_jan04niw 0	.17	.3	.42	.47	Total
0	174,593.5	2,047.19	0	0	0	176,640.7
	98.84	1.16	0.00	0.00	0.00	100.00
.17	0	348,880.1	21,042.12	0	0	369,922.2
	0.00	94.31	5.69	0.00	0.00	100.00
.3	0	0	310,556.5	27,789.63	0	338,346.1
	0.00	0.00	91.79	8.21	0.00	100.00
.42	0	0	0	15,548.52	46,149.92	61,698.44
	0.00	0.00	0.00	25.20	74.80	100.00
.47	0	0	0	0	47,768.48	47,768.48
	0.00	0.00	0.00	0.00	100.00	100.00
Total	174,593.5	350,927.3	331,598.6	43,338.16	93,918.4	994,376
	17.56	35.29	33.35	4.36	9.44	100.00

TABLE 186: Transition matrix between tax bracket in 2000/01 and 2003/04 had there been indexing by CPI since 2000/01 (Balance of VIC)

Key
frequency
row percentage

taxbracket _jan01tru	taxbracket_jan04cpi 0	.17	.3	.42	.47	Total
0	176,640.7	0	0	0	0	176,640.7
	100.00	0.00	0.00	0.00	0.00	100.00
.17	0	365,003.5	4,918.767	0	0	369,922.2
	0.00	98.67	1.33	0.00	0.00	100.00
.3	0	0	329,299.7	9,046.491	0	338,346.1
	0.00	0.00	97.33	2.67	0.00	100.00
.42	0	0	0	43,134.8	18,563.64	61,698.44
	0.00	0.00	0.00	69.91	30.09	100.00
.47	0	0	0	0	47,768.48	47,768.48
	0.00	0.00	0.00	0.00	100.00	100.00
Total	176,640.7	365,003.5	334,218.4	52,181.29	66,332.12	994,376
	17.76	36.71	33.61	5.25	6.67	100.00

TABLE 187: Transition matrix between tax bracket in 2000/01 and 2003/04 had there been indexing by AWE since 2000/01 (Balance of VIC)

taxbracket _jan01tru	taxbracket_jan04awe 0	.17	.3	.42	.47	Total
0	176,640.7	0	0	0	0	176,640.7
	100.00	0.00	0.00	0.00	0.00	100.00
.17	2,106.542	366,891.3	924.3654	0	0	369,922.2
	0.57	99.18	0.25	0.00	0.00	100.00
.3	0	3,739.702	331,477.4	3,129.028	0	338,346.1
	0.00	1.11	97.97	0.92	0.00	100.00
.42	0	0	1,107.786	59,419.12	1,171.539	61,698.44
	0.00	0.00	1.80	96.31	1.90	100.00
.47	0	0	0	0	47,768.48	47,768.48
	0.00	0.00	0.00	0.00	100.00	100.00
Total	178,747.2	370,631	333,509.6	62,548.15	48,940.01	994,376
	17.98	37.27	33.54	6.29	4.92	100.00

TABLE 188: Transition matrix between tax bracket in 2000/01 and 2005/06 if there be no further indexing (Balance of VIC)

```
+----------------+
| Key            |
|----------------|
|   frequency    |
| row percentage |
+----------------+
```

taxbracket _jan01tru	taxbracket_jan06tru 0	.17	.3	.42	.47	Total
0	173,377.1	3,263.633	0	0	0	176,640.7
	98.15	1.85	0.00	0.00	0.00	100.00
.17	0	349,975.9	19,946.33	0	0	369,922.2
	0.00	94.61	5.39	0.00	0.00	100.00
.3	0	0	298,874.8	39,471.38	0	338,346.1
	0.00	0.00	88.33	11.67	0.00	100.00
.42	0	0	0	5,345.488	56,352.96	61,698.44
	0.00	0.00	0.00	8.66	91.34	100.00
.47	0	0	0	0	47,768.48	47,768.48
	0.00	0.00	0.00	0.00	100.00	100.00
Total	173,377.1	353,239.5	318,821.1	44,816.87	104,121.4	994,376
	17.44	35.52	32.06	4.51	10.47	100.00

TABLE 189: Transition matrix between tax bracket in 2000/01 and 2005/06 if there had been no indexing since 2000/01 and there will not be any indexing in the future (Balance of VIC)

taxbracket _jan01tru	taxbracket_jan06niw 0	.17	.3	.42	.47	Total
0	173,377.1	3,263.633	0	0	0	176,640.7
	98.15	1.85	0.00	0.00	0.00	100.00
.17	0	337,799.9	32,122.36	0	0	369,922.2
	0.00	91.32	8.68	0.00	0.00	100.00
.3	0	0	286,924.8	46,944.7	4,476.651	338,346.1
	0.00	0.00	84.80	13.87	1.32	100.00
.42	0	0	0	1,107.786	60,590.66	61,698.44
	0.00	0.00	0.00	1.80	98.20	100.00
.47	0	0	0	0	47,768.48	47,768.48
	0.00	0.00	0.00	0.00	100.00	100.00
Total	173,377.1	341,063.5	319,047.2	48,052.48	112,835.8	994,376
	17.44	34.30	32.09	4.83	11.35	100.00

TABLE 190: Transition matrix between tax bracket in 2000/01 and 2005/06 if there would have been CPI indexing since 2000/01 (Balance of VIC)

```
+----------------+
| Key            |
|----------------|
|   frequency    |
| row percentage |
+----------------+
```

taxbracket _jan01tru	taxbracket_jan06cpi 0	.17	.3	.42	.47	Total
0	176,640.7	0	0	0	0	176,640.7
	100.00	0.00	0.00	0.00	0.00	100.00
.17	0	356,562.9	13,359.35	0	0	369,922.2
	0.00	96.39	3.61	0.00	0.00	100.00
.3	0	0	324,175.3	14,170.85	0	338,346.1
	0.00	0.00	95.81	4.19	0.00	100.00
.42	0	0	0	36,810.81	24,887.63	61,698.44
	0.00	0.00	0.00	59.66	40.34	100.00
.47	0	0	0	0	47,768.48	47,768.48
	0.00	0.00	0.00	0.00	100.00	100.00
Total	176,640.7	356,562.9	337,534.7	50,981.66	72,656.11	994,376
	17.76	35.86	33.94	5.13	7.31	100.00

TABLE 191: Transition matrix between tax bracket in 2000/01 and 2005/06 if there would be AWE indexing since 2000/01 (Balance of VIC)

taxbracket _jan01tru	taxbracket_jan06awe 0	.17	.3	.42	.47	Total
0	176,640.7	0	0	0	0	176,640.7
	100.00	0.00	0.00	0.00	0.00	100.00
.17	3,328.848	365,669	924.3654	0	0	369,922.2
	0.90	98.85	0.25	0.00	0.00	100.00
.3	0	3,739.702	331,477.4	3,129.028	0	338,346.1
	0.00	1.11	97.97	0.92	0.00	100.00
.42	0	0	1,107.786	59,419.12	1,171.539	61,698.44
	0.00	0.00	1.80	96.31	1.90	100.00
.47	0	0	0	0	47,768.48	47,768.48
	0.00	0.00	0.00	0.00	100.00	100.00
Total	179,969.5	369,408.7	333,509.6	62,548.15	48,940.01	994,376
	18.10	37.15	33.54	6.29	4.92	100.00

TABLE 192: Transition matrix between tax bracket in 2003/04 and 2005/06 if there would be no further indexing (Balance of VIC)

Key
frequency
row percentage

taxbracket _jan04tru	taxbracket_jan06tru 0	.17	.3	.42	.47	Total
0	173,377.1	1,216.443	0	0	0	174,593.5
	99.30	0.70	0.00	0.00	0.00	100.00
.17	0	352,023.1	13,601.92	0	0	365,625
	0.00	96.28	3.72	0.00	0.00	100.00
.3	0	0	305,219.2	19,641.78	0	324,861
	0.00	0.00	93.95	6.05	0.00	100.00
.42	0	0	0	25,175.09	23,781.85	48,956.94
	0.00	0.00	0.00	51.42	48.58	100.00
.47	0	0	0	0	80,339.58	80,339.58
	0.00	0.00	0.00	0.00	100.00	100.00
Total	173,377.1	353,239.5	318,821.1	44,816.87	104,121.4	994,376
	17.44	35.52	32.06	4.51	10.47	100.00

TABLE 193: Transition matrix between tax bracket in 2003/04 and 2005/06 if the 2005/06 tax tresholds be set such as to reflect CPI indexing since 2000/01 (Balance of VIC)

taxbracket _jan04tru	taxbracket_jan06cpi 0	.17	.3	.42	.47	Total
0	174,593.5	0	0	0	0	174,593.5
	100.00	0.00	0.00	0.00	0.00	100.00
.17	2,047.19	356,562.9	7,014.942	0	0	365,625
	0.56	97.52	1.92	0.00	0.00	100.00
.3	0	0	324,861	0	0	324,861
	0.00	0.00	100.00	0.00	0.00	100.00
.42	0	0	5,658.759	43,298.19	0	48,956.94
	0.00	0.00	11.56	88.44	0.00	100.00
.47	0	0	0	7,683.472	72,656.11	80,339.58
	0.00	0.00	0.00	9.56	90.44	100.00
Total	176,640.7	356,562.9	337,534.7	50,981.66	72,656.11	994,376
	17.76	35.86	33.94	5.13	7.31	100.00

TABLE 194: Transition matrix between tax bracket in 2003/04 and 2005/06 if the 2005/06 tax tresholds be set such as to reflect AWE indexing since 2000/01 (Balance of VIC)

Key
frequency
row percentage

taxbracket _jan04tru	taxbracket_jan06awe 0	.17	.3	.42	.47	Total
0	174,593.5	0	0	0	0	174,593.5
	100.00	0.00	0.00	0.00	0.00	100.00
.17	5,376.039	360,249	0	0	0	365,625
	1.47	98.53	0.00	0.00	0.00	100.00
.3	0	9,159.747	315,701.2	0	0	324,861
	0.00	2.82	97.18	0.00	0.00	100.00
.42	0	0	17,808.36	31,148.58	0	48,956.94
	0.00	0.00	36.38	63.62	0.00	100.00
.47	0	0	0	31,399.57	48,940.01	80,339.58
	0.00	0.00	0.00	39.08	60.92	100.00
Total	179,969.5	369,408.7	333,509.6	62,548.15	48,940.01	994,376
	18.10	37.15	33.54	6.29	4.92	100.00

BRISBANE

TABLE 195: Transition matrix between tax bracket in 2000/01 and 2003/04 (Brisbane)

Key
frequency
row percentage

taxbracket _jan01tru	taxbracket_jan04tru 0	.17	.3	.42	.47	Total
0	234,455	4,452.803	0	0	0	238,907.8
	98.14	1.86	0.00	0.00	0.00	100.00
.17	1,616.51	433,579.4	8,543.848	0	0	443,739.8
	0.36	97.71	1.93	0.00	0.00	100.00
.3	0	0	435,141.3	26,232.84	0	461,374.1
	0.00	0.00	94.31	5.69	0.00	100.00
.42	0	0	0	31,839.25	18,812.67	50,651.92
	0.00	0.00	0.00	62.86	37.14	100.00
.47	0	0	0	0	82,841.39	82,841.39
	0.00	0.00	0.00	0.00	100.00	100.00
Total	236,071.5	438,032.2	443,685.1	58,072.09	101,654.1	1277515
	18.48	34.29	34.73	4.55	7.96	100.00

TABLE 196: Transition matrix between tax bracket in 2000/01 and 2003/04 had there been no indexing since 2000/01 (Brisbane)

taxbracket _jan01tru	taxbracket_jan04niw 0	.17	.3	.42	.47	Total
0	234,455	4,452.803	0	0	0	238,907.8
	98.14	1.86	0.00	0.00	0.00	100.00
.17	1,616.51	411,838	30,285.23	0	0	443,739.8
	0.36	92.81	6.82	0.00	0.00	100.00
.3	0	0	420,426.2	40,947.89	0	461,374.1
	0.00	0.00	91.12	8.88	0.00	100.00
.42	0	0	0	16,266.75	34,385.17	50,651.92
	0.00	0.00	0.00	32.11	67.89	100.00
.47	0	0	0	0	82,841.39	82,841.39
	0.00	0.00	0.00	0.00	100.00	100.00
Total	236,071.5	416,290.9	450,711.4	57,214.64	117,226.6	1277515
	18.48	32.59	35.28	4.48	9.18	100.00

TABLE 197: Transition matrix between tax bracket in 2000/01 and 2003/04 had there been indexing by CPI since 2000/01 (Brisbane)

Key
frequency
row percentage

taxbracket _jan01tru	taxbracket_jan04cpi 0	.17	.3	.42	.47	Total
0	238,907.8	0	0	0	0	238,907.8
	100.00	0.00	0.00	0.00	0.00	100.00
.17	3,051.894	433,988.1	6,699.841	0	0	443,739.8
	0.69	97.80	1.51	0.00	0.00	100.00
.3	0	0	444,895.7	16,478.46	0	461,374.1
	0.00	0.00	96.43	3.57	0.00	100.00
.42	0	0	0	40,342.02	10,309.9	50,651.92
	0.00	0.00	0.00	79.65	20.35	100.00
.47	0	0	0	0	82,841.39	82,841.39
	0.00	0.00	0.00	0.00	100.00	100.00
Total	241,959.7	433,988.1	451,595.5	56,820.48	93,151.29	1277515
	18.94	33.97	35.35	4.45	7.29	100.00

TABLE 198: Transition matrix between tax bracket in 2000/01 and 2003/04 had there been indexing by AWE since 2000/01 (Brisbane)

taxbracket _jan01tru	taxbracket_jan04awe 0	.17	.3	.42	.47	Total
0	238,907.8	0	0	0	0	238,907.8
	100.00	0.00	0.00	0.00	0.00	100.00
.17	7,352.398	436,387.4	0	0	0	443,739.8
	1.66	98.34	0.00	0.00	0.00	100.00
.3	0	15,714.3	445,659.8	0	0	461,374.1
	0.00	3.41	96.59	0.00	0.00	100.00
.42	0	0	1,117.868	48,448.72	1,085.338	50,651.92
	0.00	0.00	2.21	95.65	2.14	100.00
.47	0	0	0	1,286.602	81,554.79	82,841.39
	0.00	0.00	0.00	1.55	98.45	100.00
Total	246,260.2	452,101.7	446,777.7	49,735.32	82,640.12	1277515
	19.28	35.39	34.97	3.89	6.47	100.00

TABLE 199: Transition matrix between tax bracket in 2000/01 and 2005/06 if there be no further indexing (Brisbane)

Key
frequency
row percentage

taxbracket _jan01tru	taxbracket_jan06tru 0	.17	.3	.42	.47	Total
0	230,863	8,044.756	0	0	0	238,907.8
	96.63	3.37	0.00	0.00	0.00	100.00
.17	1,616.51	415,897.6	26,225.69	0	0	443,739.8
	0.36	93.73	5.91	0.00	0.00	100.00
.3	0	0	394,444.9	66,929.19	0	461,374.1
	0.00	0.00	85.49	14.51	0.00	100.00
.42	0	0	0	8,460.145	42,191.78	50,651.92
	0.00	0.00	0.00	16.70	83.30	100.00
.47	0	0	0	0	82,841.39	82,841.39
	0.00	0.00	0.00	0.00	100.00	100.00
Total	232,479.5	423,942.3	420,670.6	75,389.33	125,033.2	1277515
	18.20	33.18	32.93	5.90	9.79	100.00

TABLE 200: Transition matrix between tax bracket in 2000/01 and 2005/06 if there had been no indexing since 2000/01 and there will not be any indexing in the future (Brisbane)

taxbracket _jan01tru	taxbracket_jan06niw 0	.17	.3	.42	.47	Total
0	230,863	8,044.756	0	0	0	238,907.8
	96.63	3.37	0.00	0.00	0.00	100.00
.17	1,616.51	402,807.5	39,315.82	0	0	443,739.8
	0.36	90.78	8.86	0.00	0.00	100.00
.3	0	0	377,390	78,051.8	5,932.335	461,374.1
	0.00	0.00	81.80	16.92	1.29	100.00
.42	0	0	0	1,117.868	49,534.05	50,651.92
	0.00	0.00	0.00	2.21	97.79	100.00
.47	0	0	0	0	82,841.39	82,841.39
	0.00	0.00	0.00	0.00	100.00	100.00
Total	232,479.5	410,852.2	416,705.8	79,169.66	138,307.8	1277515
	18.20	32.16	32.62	6.20	10.83	100.00

TABLE 201: Transition matrix between tax bracket in 2000/01 and 2005/06 if there would have been CPI indexing since 2000/01 (Brisbane)

Key
frequency
row percentage

taxbracket _jan01tru	taxbracket_jan06cpi 0	.17	.3	.42	.47	Total
0	238,907.8	0	0	0	0	238,907.8
	100.00	0.00	0.00	0.00	0.00	100.00
.17	3,051.894	423,196.2	17,491.71	0	0	443,739.8
	0.69	95.37	3.94	0.00	0.00	100.00
.3	0	0	439,166.3	22,207.85	0	461,374.1
	0.00	0.00	95.19	4.81	0.00	100.00
.42	0	0	0	37,965.18	12,686.75	50,651.92
	0.00	0.00	0.00	74.95	25.05	100.00
.47	0	0	0	0	82,841.39	82,841.39
	0.00	0.00	0.00	0.00	100.00	100.00
Total	241,959.7	423,196.2	456,658	60,173.03	95,528.13	1277515
	18.94	33.13	35.75	4.71	7.48	100.00

TABLE 202: Transition matrix between tax bracket in 2000/01 and 2005/06 if there would be AWE indexing since 2000/01 (Brisbane)

taxbracket _jan01tru	taxbracket_jan06awe 0	.17	.3	.42	.47	Total
0	238,907.8	0	0	0	0	238,907.8
	100.00	0.00	0.00	0.00	0.00	100.00
.17	11,262.73	431,511.8	965.2942	0	0	443,739.8
	2.54	97.24	0.22	0.00	0.00	100.00
.3	0	15,714.3	445,659.8	0	0	461,374.1
	0.00	3.41	96.59	0.00	0.00	100.00
.42	0	0	1,117.868	48,448.72	1,085.338	50,651.92
	0.00	0.00	2.21	95.65	2.14	100.00
.47	0	0	0	1,286.602	81,554.79	82,841.39
	0.00	0.00	0.00	1.55	98.45	100.00
Total	250,170.5	447,226.1	447,743	49,735.32	82,640.12	1277515
	19.58	35.01	35.05	3.89	6.47	100.00

TABLE 203: Transition matrix between tax bracket in 2003/04 and 2005/06 if there would be no further indexing (Brisbane)

Key
frequency
row percentage

taxbracket _jan04tru	taxbracket_jan06tru 0	.17	.3	.42	.47	Total
0	232,479.5	3,591.953	0	0	0	236,071.5
	98.48	1.52	0.00	0.00	0.00	100.00
.17	0	420,350.4	17,681.84	0	0	438,032.2
	0.00	95.96	4.04	0.00	0.00	100.00
.3	0	0	402,988.8	40,696.35	0	443,685.1
	0.00	0.00	90.83	9.17	0.00	100.00
.42	0	0	0	34,692.99	23,379.1	58,072.09
	0.00	0.00	0.00	59.74	40.26	100.00
.47	0	0	0	0	101,654.1	101,654.1
	0.00	0.00	0.00	0.00	100.00	100.00
Total	232,479.5	423,942.3	420,670.6	75,389.33	125,033.2	1277515
	18.20	33.18	32.93	5.90	9.79	100.00

TABLE 204: Transition matrix between tax bracket in 2003/04 and 2005/06 if the 2005/06 tax tresholds be set such as to reflect CPI indexing since 2000/01 (Brisbane)

taxbracket _jan04tru	taxbracket_jan06cpi 0	.17	.3	.42	.47	Total
0	236,071.5	0	0	0	0	236,071.5
	100.00	0.00	0.00	0.00	0.00	100.00
.17	5,888.187	423,196.2	8,947.86	0	0	438,032.2
	1.34	96.61	2.04	0.00	0.00	100.00
.3	0	0	443,685.1	0	0	443,685.1
	0.00	0.00	100.00	0.00	0.00	100.00
.42	0	0	4,024.989	54,047.1	0	58,072.09
	0.00	0.00	6.93	93.07	0.00	100.00
.47	0	0	0	6,125.927	95,528.13	101,654.1
	0.00	0.00	0.00	6.03	93.97	100.00
Total	241,959.7	423,196.2	456,658	60,173.03	95,528.13	1277515
	18.94	33.13	35.75	4.71	7.48	100.00

TABLE 205: Transition matrix between tax bracket in 2003/04 and 2005/06 if the 2005/06 tax tresholds be set such as to reflect AWE indexing since 2000/01 (Brisbane)

Key
frequency
row percentage

taxbracket _jan04tru	taxbracket_jan06awe 0	.17	.3	.42	.47	Total
0	236,071.5	0	0	0	0	236,071.5
	100.00	0.00	0.00	0.00	0.00	100.00
.17	14,099.02	423,933.2	0	0	0	438,032.2
	3.22	96.78	0.00	0.00	0.00	100.00
.3	0	23,292.85	420,392.3	0	0	443,685.1
	0.00	5.25	94.75	0.00	0.00	100.00
.42	0	0	27,350.71	30,721.38	0	58,072.09
	0.00	0.00	47.10	52.90	0.00	100.00
.47	0	0	0	19,013.94	82,640.12	101,654.1
	0.00	0.00	0.00	18.70	81.30	100.00
Total	250,170.5	447,226.1	447,743	49,735.32	82,640.12	1277515
	19.58	35.01	35.05	3.89	6.47	100.00

BALANCE OF QLD

TABLE 206: Transition matrix between tax bracket in 2000/01 and 2003/04 (Balance of QLD)

Key	
	frequency
	row percentage

taxbracket _jan01tru	taxbracket_jan04tru 0	.17	.3	.42	.47	Total
0	278,325	9,257.346	0	0	0	287,582.4
	96.78	3.22	0.00	0.00	0.00	100.00
.17	1,353.837	544,744.1	11,946.14	0	0	558,044.1
	0.24	97.62	2.14	0.00	0.00	100.00
.3	0	0	490,304.8	23,225.71	0	513,530.5
	0.00	0.00	95.48	4.52	0.00	100.00
.42	0	0	0	46,263.35	18,263.14	64,526.49
	0.00	0.00	0.00	71.70	28.30	100.00
.47	0	0	0	0	66,473.89	66,473.89
	0.00	0.00	0.00	0.00	100.00	100.00
Total	279,678.9	554,001.5	502,250.9	69,489.05	84,737.03	1490157.4
	18.77	37.18	33.70	4.66	5.69	100.00

TABLE 207: Transition matrix between tax bracket in 2000/01 and 2003/04 had there been no indexing since 2000/01 (Balance of QLD)

taxbracket _jan01tru	taxbracket_jan04niw 0	.17	.3	.42	.47	Total
0	278,325	9,257.346	0	0	0	287,582.4
	96.78	3.22	0.00	0.00	0.00	100.00
.17	1,353.837	509,194.3	47,495.95	0	0	558,044.1
	0.24	91.25	8.51	0.00	0.00	100.00
.3	0	0	476,990.4	36,540.06	0	513,530.5
	0.00	0.00	92.88	7.12	0.00	100.00
.42	0	0	0	26,235.85	38,290.64	64,526.49
	0.00	0.00	0.00	40.66	59.34	100.00
.47	0	0	0	0	66,473.89	66,473.89
	0.00	0.00	0.00	0.00	100.00	100.00
Total	279,678.9	518,451.7	524,486.4	62,775.9	104,764.5	1490157.4
	18.77	34.79	35.20	4.21	7.03	100.00

TABLE 208: Transition matrix between tax bracket in 2000/01 and 2003/04 had there been indexing by CPI since 2000/01 (Balance of QLD)

Key
frequency
row percentage

taxbracket _jan01tru	taxbracket_jan04cpi 0	.17	.3	.42	.47	Total
0	285,560.7	2,021.649	0	0	0	287,582.4
	99.30	0.70	0.00	0.00	0.00	100.00
.17	1,353.837	549,924.1	6,766.153	0	0	558,044.1
	0.24	98.54	1.21	0.00	0.00	100.00
.3	0	0	500,153.2	13,377.33	0	513,530.5
	0.00	0.00	97.40	2.60	0.00	100.00
.42	0	0	0	60,172.95	4,353.538	64,526.49
	0.00	0.00	0.00	93.25	6.75	100.00
.47	0	0	0	0	66,473.89	66,473.89
	0.00	0.00	0.00	0.00	100.00	100.00
Total	286,914.6	551,945.8	506,919.3	73,550.28	70,827.43	1490157.4
	19.25	37.04	34.02	4.94	4.75	100.00

TABLE 209: Transition matrix between tax bracket in 2000/01 and 2003/04 had there been indexing by AWE since 2000/01 (Balance of QLD)

taxbracket _jan01tru	taxbracket_jan04awe 0	.17	.3	.42	.47	Total
0	286,687.7	894.6995	0	0	0	287,582.4
	99.69	0.31	0.00	0.00	0.00	100.00
.17	2,659.244	554,122.4	1,262.454	0	0	558,044.1
	0.48	99.30	0.23	0.00	0.00	100.00
.3	0	8,860.173	504,670.3	0	0	513,530.5
	0.00	1.73	98.27	0.00	0.00	100.00
.42	0	0	9,244.993	53,901.82	1,379.671	64,526.49
	0.00	0.00	14.33	83.53	2.14	100.00
.47	0	0	0	3,642.813	62,831.08	66,473.89
	0.00	0.00	0.00	5.48	94.52	100.00
Total	289,346.9	563,877.3	515,177.8	57,544.64	64,210.75	1490157.4
	19.42	37.84	34.57	3.86	4.31	100.00

TABLE 210: Transition matrix between tax bracket in 2000/01 and 2005/06 if there be no further indexing (Balance of QLD)

Key
frequency
row percentage

taxbracket _jan01tru	taxbracket_jan06tru 0	.17	.3	.42	.47	Total
0	271,145.1	16,437.24	0	0	0	287,582.4
	94.28	5.72	0.00	0.00	0.00	100.00
.17	1,353.837	512,435.2	44,255.12	0	0	558,044.1
	0.24	91.83	7.93	0.00	0.00	100.00
.3	0	0	461,410.4	52,120.1	0	513,530.5
	0.00	0.00	89.85	10.15	0.00	100.00
.42	0	0	0	12,591.61	51,934.88	64,526.49
	0.00	0.00	0.00	19.51	80.49	100.00
.47	0	0	0	0	66,473.89	66,473.89
	0.00	0.00	0.00	0.00	100.00	100.00
Total	272,499	528,872.4	505,665.5	64,711.71	118,408.8	1490157.4
	18.29	35.49	33.93	4.34	7.95	100.00

TABLE 211: Transition matrix between tax bracket in 2000/01 and 2005/06 if there had been no indexing since 2000/01 and there will not be any indexing in the future (Balance of QLD)

taxbracket _jan01tru	taxbracket_jan06niw 0	.17	.3	.42	.47	Total
0	271,145.1	16,437.24	0	0	0	287,582.4
	94.28	5.72	0.00	0.00	0.00	100.00
.17	1,353.837	486,289.8	70,400.52	0	0	558,044.1
	0.24	87.14	12.62	0.00	0.00	100.00
.3	0	0	448,887.6	58,868.84	5,774.03	513,530.5
	0.00	0.00	87.41	11.46	1.12	100.00
.42	0	0	0	4,629.186	59,897.3	64,526.49
	0.00	0.00	0.00	7.17	92.83	100.00
.47	0	0	0	0	66,473.89	66,473.89
	0.00	0.00	0.00	0.00	100.00	100.00
Total	272,499	502,727	519,288.2	63,498.02	132,145.2	1490157.4
	18.29	33.74	34.85	4.26	8.87	100.00

TABLE 212: Transition matrix between tax bracket in 2000/01 and 2005/06 if there would have been CPI indexing since 2000/01 (Balance of QLD)

Key
frequency
row percentage

taxbracket _jan01tru	taxbracket_jan06cpi 0	.17	.3	.42	.47	Total
0	281,971.2	5,611.139	0	0	0	287,582.4
	98.05	1.95	0.00	0.00	0.00	100.00
.17	1,353.837	533,344.6	23,345.69	0	0	558,044.1
	0.24	95.57	4.18	0.00	0.00	100.00
.3	0	0	495,523.2	18,007.26	0	513,530.5
	0.00	0.00	96.49	3.51	0.00	100.00
.42	0	0	0	52,626.8	11,899.69	64,526.49
	0.00	0.00	0.00	81.56	18.44	100.00
.47	0	0	0	0	66,473.89	66,473.89
	0.00	0.00	0.00	0.00	100.00	100.00
Total	283,325.1	538,955.7	518,868.9	70,634.06	78,373.58	1490157.4
	19.01	36.17	34.82	4.74	5.26	100.00

TABLE 213: Transition matrix between tax bracket in 2000/01 and 2005/06 if there would be AWE indexing since 2000/01 (Balance of QLD)

taxbracket _jan01tru	taxbracket_jan06awe 0	.17	.3	.42	.47	Total
0	286,687.7	894.6995	0	0	0	287,582.4
	99.69	0.31	0.00	0.00	0.00	100.00
.17	3,745.306	553,036.4	1,262.454	0	0	558,044.1
	0.67	99.10	0.23	0.00	0.00	100.00
.3	0	8,860.173	504,670.3	0	0	513,530.5
	0.00	1.73	98.27	0.00	0.00	100.00
.42	0	0	9,244.993	53,901.82	1,379.671	64,526.49
	0.00	0.00	14.33	83.53	2.14	100.00
.47	0	0	0	3,642.813	62,831.08	66,473.89
	0.00	0.00	0.00	5.48	94.52	100.00
Total	290,433	562,791.2	515,177.8	57,544.64	64,210.75	1490157.4
	19.49	37.77	34.57	3.86	4.31	100.00

TABLE 214: Transition matrix between tax bracket in 2003/04 and 2005/06 if there would be no further indexing (Balance of QLD)

Key
frequency
row percentage

taxbracket _jan04tru	taxbracket_jan06tru 0	.17	.3	.42	.47	Total
0	271,441.7	8,237.155	0	0	0	279,678.9
	97.05	2.95	0.00	0.00	0.00	100.00
.17	1,057.262	520,635.2	32,308.98	0	0	554,001.5
	0.19	93.98	5.83	0.00	0.00	100.00
.3	0	0	473,356.5	28,894.39	0	502,250.9
	0.00	0.00	94.25	5.75	0.00	100.00
.42	0	0	0	35,817.32	33,671.74	69,489.05
	0.00	0.00	0.00	51.54	48.46	100.00
.47	0	0	0	0	84,737.03	84,737.03
	0.00	0.00	0.00	0.00	100.00	100.00
Total	272,499	528,872.4	505,665.5	64,711.71	118,408.8	1490157.4
	18.29	35.49	33.93	4.34	7.95	100.00

TABLE 215: Transition matrix between tax bracket in 2003/04 and 2005/06 if the 2005/06 tax tresholds be set such as to reflect CPI indexing since 2000/01 (Balance of QLD)

taxbracket _jan04tru	taxbracket_jan06cpi 0	.17	.3	.42	.47	Total
0	279,678.9	0	0	0	0	279,678.9
	100.00	0.00	0.00	0.00	0.00	100.00
.17	3,646.207	538,955.7	11,399.55	0	0	554,001.5
	0.66	97.28	2.06	0.00	0.00	100.00
.3	0	0	502,250.9	0	0	502,250.9
	0.00	0.00	100.00	0.00	0.00	100.00
.42	0	0	5,218.449	64,270.61	0	69,489.05
	0.00	0.00	7.51	92.49	0.00	100.00
.47	0	0	0	6,363.456	78,373.58	84,737.03
	0.00	0.00	0.00	7.51	92.49	100.00
Total	283,325.1	538,955.7	518,868.9	70,634.06	78,373.58	1490157.4
	19.01	36.17	34.82	4.74	5.26	100.00

TABLE 216: Transition matrix between tax bracket in 2003/04 and 2005/06 if the 2005/06 tax tresholds be set such as to reflect AWE indexing since 2000/01 (Balance of QLD)

Key
frequency
row percentage

taxbracket _jan04tru	taxbracket_jan06awe 0	.17	.3	.42	.47	Total
0	279,678.9	0	0	0	0	279,678.9
	100.00	0.00	0.00	0.00	0.00	100.00
.17	10,754.12	543,247.4	0	0	0	554,001.5
	1.94	98.06	0.00	0.00	0.00	100.00
.3	0	19,543.86	482,707.1	0	0	502,250.9
	0.00	3.89	96.11	0.00	0.00	100.00
.42	0	0	32,470.7	37,018.35	0	69,489.05
	0.00	0.00	46.73	53.27	0.00	100.00
.47	0	0	0	20,526.28	64,210.75	84,737.03
	0.00	0.00	0.00	24.22	75.78	100.00
Total	290,433	562,791.2	515,177.8	57,544.64	64,210.75	1490157.4
	19.49	37.77	34.57	3.86	4.31	100.00

PERTH

TABLE 217: Transition matrix between tax bracket in 2000/01 and 2003/04 (Perth)

Key
frequency
row percentage

taxbracket _jan01tru	taxbracket_jan04tru 0	.17	.3	.42	.47	Total
0	196,494.7	4,252.534	0	0	0	200,747.2
	97.88	2.12	0.00	0.00	0.00	100.00
.17	2,306.73	339,071.7	16,704.89	0	0	358,083.3
	0.64	94.69	4.67	0.00	0.00	100.00
.3	0	0	386,584.3	22,847.38	0	409,431.7
	0.00	0.00	94.42	5.58	0.00	100.00
.42	0	0	0	30,642.41	22,506.18	53,148.59
	0.00	0.00	0.00	57.65	42.35	100.00
.47	0	0	0	0	75,820.56	75,820.56
	0.00	0.00	0.00	0.00	100.00	100.00
Total	198,801.4	343,324.2	403,289.2	53,489.79	98,326.74	1097231.3
	18.12	31.29	36.76	4.87	8.96	100.00

TABLE 218: Transition matrix between tax bracket in 2000/01 and 2003/04 had there been no indexing since 2000/01 (Perth)

taxbracket _jan01tru	taxbracket_jan04niw 0	.17	.3	.42	.47	Total
0	196,494.7	4,252.534	0	0	0	200,747.2
	97.88	2.12	0.00	0.00	0.00	100.00
.17	2,306.73	323,512.6	32,264.01	0	0	358,083.3
	0.64	90.35	9.01	0.00	0.00	100.00
.3	0	0	375,268.8	34,162.81	0	409,431.7
	0.00	0.00	91.66	8.34	0.00	100.00
.42	0	0	0	18,616.08	34,532.51	53,148.59
	0.00	0.00	0.00	35.03	64.97	100.00
.47	0	0	0	0	75,820.56	75,820.56
	0.00	0.00	0.00	0.00	100.00	100.00
Total	198,801.4	327,765.1	407,532.9	52,778.89	110,353.1	1097231.3
	18.12	29.87	37.14	4.81	10.06	100.00

TABLE 219: Transition matrix between tax bracket in 2000/01 and 2003/04 had there been indexing by CPI since 2000/01 (Perth)

Key
frequency
row percentage

taxbracket _jan01tru	taxbracket_jan04cpi 0	.17	.3	.42	.47	Total
0	199,976.2	770.981	0	0	0	200,747.2
	99.62	0.38	0.00	0.00	0.00	100.00
.17	3,473.72	343,498.2	11,111.4	0	0	358,083.3
	0.97	95.93	3.10	0.00	0.00	100.00
.3	0	0	399,658.3	9,773.4	0	409,431.7
	0.00	0.00	97.61	2.39	0.00	100.00
.42	0	0	0	38,931.84	14,216.74	53,148.59
	0.00	0.00	0.00	73.25	26.75	100.00
.47	0	0	0	0	75,820.56	75,820.56
	0.00	0.00	0.00	0.00	100.00	100.00
Total	203,450	344,269.1	410,769.7	48,705.24	90,037.31	1097231.3
	18.54	31.38	37.44	4.44	8.21	100.00

TABLE 220: Transition matrix between tax bracket in 2000/01 and 2003/04 had there been indexing by AWE since 2000/01 (Perth)

taxbracket _jan01tru	taxbracket_jan04awe 0	.17	.3	.42	.47	Total
0	200,747.2	0	0	0	0	200,747.2
	100.00	0.00	0.00	0.00	0.00	100.00
.17	8,095.143	349,988.1	0	0	0	358,083.3
	2.26	97.74	0.00	0.00	0.00	100.00
.3	0	3,189.892	406,241.8	0	0	409,431.7
	0.00	0.78	99.22	0.00	0.00	100.00
.42	0	0	3,859.184	48,622.15	667.2541	53,148.59
	0.00	0.00	7.26	91.48	1.26	100.00
.47	0	0	0	1,217.179	74,603.38	75,820.56
	0.00	0.00	0.00	1.61	98.39	100.00
Total	208,842.4	353,178	410,101	49,839.33	75,270.64	1097231.3
	19.03	32.19	37.38	4.54	6.86	100.00

TABLE 221: Transition matrix between tax bracket in 2000/01 and 2005/06 if there be no further indexing (Perth)

```
+----------------+
| Key            |
|----------------|
|   frequency    |
| row percentage |
+----------------+
```

taxbracket _jan01tru	taxbracket_jan06tru 0	.17	.3	.42	.47	Total
0	188,208.2	12,538.99	0	0	0	200,747.2
	93.75	6.25	0.00	0.00	0.00	100.00
.17	2,306.73	323,512.6	32,264.01	0	0	358,083.3
	0.64	90.35	9.01	0.00	0.00	100.00
.3	0	0	360,289.2	49,142.44	0	409,431.7
	0.00	0.00	88.00	12.00	0.00	100.00
.42	0	0	0	7,565.699	45,582.89	53,148.59
	0.00	0.00	0.00	14.23	85.77	100.00
.47	0	0	0	0	75,820.56	75,820.56
	0.00	0.00	0.00	0.00	100.00	100.00
Total	190,515	336,051.5	392,553.2	56,708.13	121,403.5	1097231.3
	17.36	30.63	35.78	5.17	11.06	100.00

TABLE 222: Transition matrix between tax bracket in 2000/01 and 2005/06 if there had been no indexing since 2000/01 and there will not be any indexing in the future (Perth)

taxbracket _jan01tru	taxbracket_jan06niw 0	.17	.3	.42	.47	Total
0	188,208.2	12,538.99	0	0	0	200,747.2
	93.75	6.25	0.00	0.00	0.00	100.00
.17	2,306.73	310,032.9	45,743.7	0	0	358,083.3
	0.64	86.58	12.77	0.00	0.00	100.00
.3	0	0	346,841.2	54,609.02	7,981.421	409,431.7
	0.00	0.00	84.71	13.34	1.95	100.00
.42	0	0	0	2,619.871	50,528.72	53,148.59
	0.00	0.00	0.00	4.93	95.07	100.00
.47	0	0	0	0	75,820.56	75,820.56
	0.00	0.00	0.00	0.00	100.00	100.00
Total	190,515	322,571.9	392,584.9	57,228.89	134,330.7	1097231.3
	17.36	29.40	35.78	5.22	12.24	100.00

TABLE 223: Transition matrix between tax bracket in 2000/01 and 2005/06 if there would have been CPI indexing since 2000/01 (Perth)

```
+----------------+
| Key            |
|----------------|
|   frequency    |
| row percentage |
+----------------+
```

taxbracket _jan01tru	taxbracket_jan06cpi 0	.17	.3	.42	.47	Total
0	196,494.7	4,252.534	0	0	0	200,747.2
	97.88	2.12	0.00	0.00	0.00	100.00
.17	3,461.529	335,408	19,213.81	0	0	358,083.3
	0.97	93.67	5.37	0.00	0.00	100.00
.3	0	0	388,382.3	21,049.31	0	409,431.7
	0.00	0.00	94.86	5.14	0.00	100.00
.42	0	0	0	33,576.99	19,571.6	53,148.59
	0.00	0.00	0.00	63.18	36.82	100.00
.47	0	0	0	0	75,820.56	75,820.56
	0.00	0.00	0.00	0.00	100.00	100.00
Total	199,956.2	339,660.5	407,596.2	54,626.3	95,392.16	1097231.3
	18.22	30.96	37.15	4.98	8.69	100.00

TABLE 224: Transition matrix between tax bracket in 2000/01 and 2005/06 if there would be AWE indexing since 2000/01 (Perth)

taxbracket _jan01tru	taxbracket_jan06awe 0	.17	.3	.42	.47	Total
0	200,747.2	0	0	0	0	200,747.2
	100.00	0.00	0.00	0.00	0.00	100.00
.17	8,095.143	349,988.1	0	0	0	358,083.3
	2.26	97.74	0.00	0.00	0.00	100.00
.3	0	3,189.892	406,241.8	0	0	409,431.7
	0.00	0.78	99.22	0.00	0.00	100.00
.42	0	0	3,859.184	48,622.15	667.2541	53,148.59
	0.00	0.00	7.26	91.48	1.26	100.00
.47	0	0	0	1,217.179	74,603.38	75,820.56
	0.00	0.00	0.00	1.61	98.39	100.00
Total	208,842.4	353,178	410,101	49,839.33	75,270.64	1097231.3
	19.03	32.19	37.38	4.54	6.86	100.00

TABLE 225: Transition matrix between tax bracket in 2003/04 and 2005/06 if there would be no further indexing (Perth)

Key
frequency
row percentage

taxbracket _jan04tru	taxbracket_jan06tru 0	.17	.3	.42	.47	Total
0	190,515	8,286.457	0	0	0	198,801.4
	95.83	4.17	0.00	0.00	0.00	100.00
.17	0	327,765.1	15,559.12	0	0	343,324.2
	0.00	95.47	4.53	0.00	0.00	100.00
.3	0	0	376,994.1	26,295.05	0	403,289.2
	0.00	0.00	93.48	6.52	0.00	100.00
.42	0	0	0	30,413.08	23,076.71	53,489.79
	0.00	0.00	0.00	56.86	43.14	100.00
.47	0	0	0	0	98,326.74	98,326.74
	0.00	0.00	0.00	0.00	100.00	100.00
Total	190,515	336,051.5	392,553.2	56,708.13	121,403.5	1097231.3
	17.36	30.63	35.78	5.17	11.06	100.00

TABLE 226: Transition matrix between tax bracket in 2003/04 and 2005/06 if the 2005/06 tax tresholds be set such as to reflect CPI indexing since 2000/01 (Perth)

taxbracket _jan04tru	taxbracket_jan06cpi 0	.17	.3	.42	.47	Total
0	198,801.4	0	0	0	0	198,801.4
	100.00	0.00	0.00	0.00	0.00	100.00
.17	1,154.799	339,660.5	2,508.915	0	0	343,324.2
	0.34	98.93	0.73	0.00	0.00	100.00
.3	0	0	403,289.2	0	0	403,289.2
	0.00	0.00	100.00	0.00	0.00	100.00
.42	0	0	1,798.072	51,691.72	0	53,489.79
	0.00	0.00	3.36	96.64	0.00	100.00
.47	0	0	0	2,934.578	95,392.16	98,326.74
	0.00	0.00	0.00	2.98	97.02	100.00
Total	199,956.2	339,660.5	407,596.2	54,626.3	95,392.16	1097231.3
	18.22	30.96	37.15	4.98	8.69	100.00

TABLE 227: Transition matrix between tax bracket in 2003/04 and 2005/06 if the 2005/06 tax tresholds be set such as to reflect AWE indexing since 2000/01 (Perth)

```
+----------------+
| Key            |
|----------------|
|   frequency    |
| row percentage |
+----------------+
```

taxbracket _jan04tru	taxbracket_jan06awe 0	.17	.3	.42	.47	Total
0	198,801.4	0	0	0	0	198,801.4
	100.00	0.00	0.00	0.00	0.00	100.00
.17	10,040.95	333,283.3	0	0	0	343,324.2
	2.92	97.08	0.00	0.00	0.00	100.00
.3	0	19,894.78	383,394.4	0	0	403,289.2
	0.00	4.93	95.07	0.00	0.00	100.00
.42	0	0	26,706.57	26,783.22	0	53,489.79
	0.00	0.00	49.93	50.07	0.00	100.00
.47	0	0	0	23,056.1	75,270.64	98,326.74
	0.00	0.00	0.00	23.45	76.55	100.00
Total	208,842.4	353,178	410,101	49,839.33	75,270.64	1097231.3
	19.03	32.19	37.38	4.54	6.86	100.00

BALANCE OF WA

TABLE 228: Transition matrix between tax bracket in 2000/01 and 2003/04 (Balance of WA)

```
+----------------+
| Key            |
|----------------|
|   frequency    |
| row percentage |
+----------------+
```

taxbracket _jan01tru	taxbracket_jan04tru 0	.17	.3	.42	.47	Total
0	66,363.23	2,710.119	0	0	0	69,073.35
	96.08	3.92	0.00	0.00	0.00	100.00
.17	0	138,120.7	1,326.533	0	0	139,447.2
	0.00	99.05	0.95	0.00	0.00	100.00
.3	0	0	106,157.4	10,545.22	0	116,702.7
	0.00	0.00	90.96	9.04	0.00	100.00
.42	0	0	0	12,119.13	6,295.464	18,414.59
	0.00	0.00	0.00	65.81	34.19	100.00
.47	0	0	0	0	26,107.46	26,107.46
	0.00	0.00	0.00	0.00	100.00	100.00
Total	66,363.23	140,830.8	107,484	22,664.35	32,402.93	369,745.3
	17.95	38.09	29.07	6.13	8.76	100.00

TABLE 229: Transition matrix between tax bracket in 2000/01 and 2003/04 had there been no indexing since 2000/01 (Balance of WA)

taxbracket _jan01tru	taxbracket_jan04niw 0	.17	.3	.42	.47	Total
0	66,363.23	2,710.119	0	0	0	69,073.35
	96.08	3.92	0.00	0.00	0.00	100.00
.17	0	132,726.8	6,720.462	0	0	139,447.2
	0.00	95.18	4.82	0.00	0.00	100.00
.3	0	0	102,093.8	14,608.87	0	116,702.7
	0.00	0.00	87.48	12.52	0.00	100.00
.42	0	0	0	7,015.77	11,398.82	18,414.59
	0.00	0.00	0.00	38.10	61.90	100.00
.47	0	0	0	0	26,107.46	26,107.46
	0.00	0.00	0.00	0.00	100.00	100.00
Total	66,363.23	135,436.9	108,814.3	21,624.64	37,506.29	369,745.3
	17.95	36.63	29.43	5.85	10.14	100.00

TABLE 230: Transition matrix between tax bracket in 2000/01 and 2003/04 had there been indexing by CPI since 2000/01 (Balance of WA)

Key
frequency
row percentage

taxbracket _jan01tru	taxbracket_jan04cpi 0	.17	.3	.42	.47	Total
0	69,073.35	0	0	0	0	69,073.35
	100.00	0.00	0.00	0.00	0.00	100.00
.17	0	138,120.7	1,326.533	0	0	139,447.2
	0.00	99.05	0.95	0.00	0.00	100.00
.3	0	0	112,004.1	4,698.525	0	116,702.7
	0.00	0.00	95.97	4.03	0.00	100.00
.42	0	0	0	14,458.36	3,956.229	18,414.59
	0.00	0.00	0.00	78.52	21.48	100.00
.47	0	0	0	0	26,107.46	26,107.46
	0.00	0.00	0.00	0.00	100.00	100.00
Total	69,073.35	138,120.7	113,330.7	19,156.89	30,063.69	369,745.3
	18.68	37.36	30.65	5.18	8.13	100.00

TABLE 231: Transition matrix between tax bracket in 2000/01 and 2003/04 had there been indexing by AWE since 2000/01 (Balance of WA)

taxbracket _jan01tru	taxbracket_jan04awe 0	.17	.3	.42	.47	Total
0	69,073.35	0	0	0	0	69,073.35
	100.00	0.00	0.00	0.00	0.00	100.00
.17	767.8171	138,679.4	0	0	0	139,447.2
	0.55	99.45	0.00	0.00	0.00	100.00
.3	0	3,592.827	113,109.8	0	0	116,702.7
	0.00	3.08	96.92	0.00	0.00	100.00
.42	0	0	728.5927	17,686	0	18,414.59
	0.00	0.00	3.96	96.04	0.00	100.00
.47	0	0	0	0	26,107.46	26,107.46
	0.00	0.00	0.00	0.00	100.00	100.00
Total	69,841.17	142,272.2	113,838.4	17,686	26,107.46	369,745.3
	18.89	38.48	30.79	4.78	7.06	100.00

TABLE 232: Transition matrix between tax bracket in 2000/01 and 2005/06 if there be no further indexing (Balance of WA)

Key
frequency
row percentage

taxbracket _jan01tru	taxbracket_jan06tru 0	.17	.3	.42	.47	Total
0	64,424.78	4,648.573	0	0	0	69,073.35
	93.27	6.73	0.00	0.00	0.00	100.00
.17	0	132,726.8	6,720.462	0	0	139,447.2
	0.00	95.18	4.82	0.00	0.00	100.00
.3	0	0	100,331.4	16,371.23	0	116,702.7
	0.00	0.00	85.97	14.03	0.00	100.00
.42	0	0	0	728.5927	17,686	18,414.59
	0.00	0.00	0.00	3.96	96.04	100.00
.47	0	0	0	0	26,107.46	26,107.46
	0.00	0.00	0.00	0.00	100.00	100.00
Total	64,424.78	137,375.3	107,051.9	17,099.83	43,793.46	369,745.3
	17.42	37.15	28.95	4.62	11.84	100.00

TABLE 233: Transition matrix between tax bracket in 2000/01 and 2005/06 if there had been no indexing since 2000/01 and there will not be any indexing in the future (Balance of WA)

taxbracket _jan01tru	taxbracket_jan06niw 0	.17	.3	.42	.47	Total
0	64,424.78	4,648.573	0	0	0	69,073.35
	93.27	6.73	0.00	0.00	0.00	100.00
.17	0	123,515	15,932.18	0	0	139,447.2
	0.00	88.57	11.43	0.00	0.00	100.00
.3	0	0	98,014.46	17,682.39	1,005.809	116,702.7
	0.00	0.00	83.99	15.15	0.86	100.00
.42	0	0	0	0	18,414.59	18,414.59
	0.00	0.00	0.00	0.00	100.00	100.00
.47	0	0	0	0	26,107.46	26,107.46
	0.00	0.00	0.00	0.00	100.00	100.00
Total	64,424.78	128,163.6	113,946.6	17,682.39	45,527.86	369,745.3
	17.42	34.66	30.82	4.78	12.31	100.00

TABLE 234: Transition matrix between tax bracket in 2000/01 and 2005/06 if there would have been CPI indexing since 2000/01 (Balance of WA)

```
+----------------+
| Key            |
|----------------|
|   frequency    |
| row percentage |
+----------------+
```

taxbracket _jan01tru	taxbracket_jan06cpi 0	.17	.3	.42	.47	Total
0	69,073.35	0	0	0	0	69,073.35
	100.00	0.00	0.00	0.00	0.00	100.00
.17	0	137,386.1	2,061.159	0	0	139,447.2
	0.00	98.52	1.48	0.00	0.00	100.00
.3	0	0	108,294.2	8,408.477	0	116,702.7
	0.00	0.00	92.79	7.21	0.00	100.00
.42	0	0	0	12,952.26	5,462.333	18,414.59
	0.00	0.00	0.00	70.34	29.66	100.00
.47	0	0	0	0	26,107.46	26,107.46
	0.00	0.00	0.00	0.00	100.00	100.00
Total	69,073.35	137,386.1	110,355.3	21,360.74	31,569.8	369,745.3
	18.68	37.16	29.85	5.78	8.54	100.00

TABLE 235: Transition matrix between tax bracket in 2000/01 and 2005/06 if there would be AWE indexing since 2000/01 (Balance of WA)

taxbracket _jan01tru	taxbracket_jan06awe 0	.17	.3	.42	.47	Total
0	69,073.35	0	0	0	0	69,073.35
	100.00	0.00	0.00	0.00	0.00	100.00
.17	767.8171	138,679.4	0	0	0	139,447.2
	0.55	99.45	0.00	0.00	0.00	100.00
.3	0	3,592.827	113,109.8	0	0	116,702.7
	0.00	3.08	96.92	0.00	0.00	100.00
.42	0	0	728.5927	17,686	0	18,414.59
	0.00	0.00	3.96	96.04	0.00	100.00
.47	0	0	0	0	26,107.46	26,107.46
	0.00	0.00	0.00	0.00	100.00	100.00
Total	69,841.17	142,272.2	113,838.4	17,686	26,107.46	369,745.3
	18.89	38.48	30.79	4.78	7.06	100.00

TABLE 236: Transition matrix between tax bracket in 2003/04 and 2005/06 if there would be no further indexing (Balance of WA)

Key
frequency
row percentage

taxbracket _jan04tru	taxbracket_jan06tru 0	.17	.3	.42	.47	Total
0	64,424.78	1,938.453	0	0	0	66,363.23
	97.08	2.92	0.00	0.00	0.00	100.00
.17	0	135,436.9	5,393.93	0	0	140,830.8
	0.00	96.17	3.83	0.00	0.00	100.00
.3	0	0	101,658	5,826.012	0	107,484
	0.00	0.00	94.58	5.42	0.00	100.00
.42	0	0	0	11,273.82	11,390.54	22,664.35
	0.00	0.00	0.00	49.74	50.26	100.00
.47	0	0	0	0	32,402.93	32,402.93
	0.00	0.00	0.00	0.00	100.00	100.00
Total	64,424.78	137,375.3	107,051.9	17,099.83	43,793.46	369,745.3
	17.42	37.15	28.95	4.62	11.84	100.00

TABLE 237: Transition matrix between tax bracket in 2003/04 and 2005/06 if the 2005/06 tax tresholds be set such as to reflect CPI indexing since 2000/01 (Balance of WA)

taxbracket _jan04tru	taxbracket_jan06cpi 0	.17	.3	.42	.47	Total
0	66,363.23	0	0	0	0	66,363.23
	100.00	0.00	0.00	0.00	0.00	100.00
.17	2,710.119	137,386.1	734.6261	0	0	140,830.8
	1.92	97.55	0.52	0.00	0.00	100.00
.3	0	0	107,484	0	0	107,484
	0.00	0.00	100.00	0.00	0.00	100.00
.42	0	0	2,136.745	20,527.61	0	22,664.35
	0.00	0.00	9.43	90.57	0.00	100.00
.47	0	0	0	833.1305	31,569.8	32,402.93
	0.00	0.00	0.00	2.57	97.43	100.00
Total	69,073.35	137,386.1	110,355.3	21,360.74	31,569.8	369,745.3
	18.68	37.16	29.85	5.78	8.54	100.00

TABLE 238: Transition matrix between tax bracket in 2003/04 and 2005/06 if the 2005/06 tax tresholds be set such as to reflect AWE indexing since 2000/01 (Balance of WA)

Key
frequency
row percentage

taxbracket _jan04tru	taxbracket_jan06awe 0	.17	.3	.42	.47	Total
0	66,363.23	0	0	0	0	66,363.23
	100.00	0.00	0.00	0.00	0.00	100.00
.17	3,477.936	137,352.9	0	0	0	140,830.8
	2.47	97.53	0.00	0.00	0.00	100.00
.3	0	4,919.359	102,564.6	0	0	107,484
	0.00	4.58	95.42	0.00	0.00	100.00
.42	0	0	11,273.82	11,390.54	0	22,664.35
	0.00	0.00	49.74	50.26	0.00	100.00
.47	0	0	0	6,295.464	26,107.46	32,402.93
	0.00	0.00	0.00	19.43	80.57	100.00
Total	69,841.17	142,272.2	113,838.4	17,686	26,107.46	369,745.3
	18.89	38.48	30.79	4.78	7.06	100.00