

Appendix C

Real gains for households

The spending power of Australian families will continue to increase over the coming years. Working families will continue to benefit from this Government's increased assistance for education, child care and dental care. Age pensioners will benefit from increases in the rate of the Age Pension and the new, simpler fortnightly Pension Supplement. Other older Australians will benefit from the new Seniors Supplement.

Projected improvement in the real disposable incomes and the net tax thresholds of different household types from 2007-08 to 2010-11

Family type and wage as percentages of AWOTE(a)	Real disposable income(b) (\$2008-09)			Real net tax threshold(c) (\$2008-09)		
	2007-08	2010-11	% change	2007-08	2010-11	% change
Single person (67%)	\$33,390	\$35,831	7.3%	\$18,976	\$19,971	5.2%
Single person (100%)	\$46,475	\$49,122	5.7%	\$18,976	\$19,971	5.2%
Single person (167%) (d)	\$71,648	\$75,459	5.3%	\$18,976	\$19,971	5.2%
Sole parent (0%)	\$27,574	\$28,915	4.9%	\$52,442	\$56,145	7.1%
Sole parent (67%)	\$46,913	\$49,950	6.5%	\$52,442	\$56,145	7.1%
Single income couple (133%)	\$61,939	\$64,932	4.8%	\$33,036	\$34,597	4.7%
Single income couple (167%)	\$73,815	\$77,989	5.7%	\$33,036	\$34,597	4.7%
Dual income couple (100 & 33%)	\$64,743	\$68,716	6.1%	\$35,287	\$36,295	2.9%
Dual income couple (100 & 67%)	\$79,864	\$84,952	6.4%	\$35,406	\$37,364	5.5%
Single income couple with children (100%) (e)	\$55,967	\$58,947	5.3%	\$52,442	\$56,145	7.1%
Single income couple with children (133%)	\$67,373	\$70,861	5.2%	\$52,442	\$56,145	7.1%
Single income couple with children (167%)	\$78,808	\$81,089	2.9%	\$52,442	\$56,145	7.1%
Dual income couple with children (100 & 33%) (f)	\$72,610	\$78,093	7.6%	\$62,302	\$68,570	10.1%
Dual income couple with children (100 & 67%) (g)	\$88,527	\$94,342	6.6%	\$66,106	\$76,064	15.1%
Dual income couple with children (167 & 100%) (d)(h)	\$123,404	\$132,250	7.2%	\$65,385	\$74,857	14.5%
Senior single (0%)	\$14,938	\$17,491	17.1%	\$28,847	\$31,538	9.3%
Senior couple (0 & 0%)	\$24,608	\$26,373	7.2%	\$46,308	\$54,712	18.1%

(a) AWOTE is average weekly ordinary time earnings for full-time employees.

(b) Disposable income is the sum of private income and government cash transfers less net tax paid.

(c) The net tax threshold is the private income at which taxes paid exceed cash benefits received.

(d) Assumed to have an average-priced hospital insurance policy and receive the private health insurance rebate.

(e) Families with children have two, aged 3 and 8 years. Families spend enough on eligible education expenses to claim the maximum Education Tax Refund in respect of the 8 year old, where eligible.

(f) Younger child is in long day care, two days per week at \$5.70 per hour in 2007-08 and \$6.80 per hour in 2010-11; older child is not in paid care. For the calculation of net tax thresholds, the hours of care are consistent with the income of the second earner.

(g) Younger child is in long day care, four days per week at \$5.70 per hour in 2007-08 and \$6.80 per hour in 2010-11; older child is not in paid care. For the calculation of net tax thresholds, the hours of care are consistent with the income of the second earner.

(h) Younger child is in long day care, five days per week at \$5.24 per hour in 2007-08 and \$6.26 per hour in 2010-11; older child is not in paid care. For the calculation of net tax thresholds, the hours of care are consistent with the income of the second earner.