



2009–10

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HOUSEHOLD INCOME AND INCOME DISTRIBUTION

AUSTRALIA

EMBARGO: 11.30AM (CANBERRA TIME) TUES 30 AUG 2011

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INQUIRIES

For further information about these and related statistics, contact the National Information and Referral Service on 1300 135 070 or Living Conditions on Canberra (02) 6252 6174, email <living.conditions@abs.gov.au>.

NOTES

ABOUT THIS PUBLICATION This publication presents estimates of the income and other characteristics of households and persons resident in private dwellings in Australia, compiled from the 2009–10 Survey of Income and Housing (SIH). It includes estimates of the distribution of income across the population.

CHANGES IN THIS ISSUE Key changes to the 2009–10 SIH include:

- an increase in sample size from 9,345 households in 2007–08 to 18,071 households in 2009–10 due to a 10,800 base sample, an expansion in the SIH sample for an extra 4,200 households, located outside capital cities as well as an additional sample of metropolitan households whose main source of income was a government pension, benefit and/or allowance
- the inclusion of a benchmark for the value of government benefit cash transfers to ensure that the survey estimate of government benefit cash transfers is maintained at a proportion of aggregate benefit cash transfers that is consistent with previous SIH cycles (this benchmark was last used in the 2000–01 SIH)
- housing data on dwelling condition, characteristics, mobility, finance and rental arrangements collected in 2007–08 were not collected in 2009–10
- wealth data items on assets and liabilities were collected in 2009–10 (last collected in the 2005–06 SIH)
- disability questions for persons aged 15 years and over were asked in the 2009–10 SIH
- an expanded range of detailed tables are included as an Excel datacube on the website, including additional estimates of average weekly equivalised disposable household income and gross household income for populations featured in this publication
- a comparison between the SIH income estimates and the Australian System of National Accounts is included in this publication.

REVISIONS Errors in processing the 2007–08 income estimates have been corrected, resulting in an average increase of \$3 for mean equivalised disposable household income across all households. This was reflected largely in a 1.3% increase in the mean equivalised disposable household income of households in the highest quintile. The income estimates for 2007–08 shown in this publication have been revised. These corrections will be processed for a subsequent re-release of the 2007–08 SIH CURF.

EFFECTS OF ROUNDING Where figures have been rounded, discrepancies may occur between sums of the component items and totals. Published percentages are calculated prior to rounding of the figures and therefore some discrepancy may exist between these percentages and those that could be calculated from the rounded figures.

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ABBREVIATIONS

ABS	Australian Bureau of Statistics
ACT	Australian Capital Territory
ASNA	Australian System of National Accounts
ATO	Australian Taxation Office
Aust.	Australia
CCB	Child Care Benefit
CCR	Child Care Rebate (formerly known as Child Care Tax Rebate: CCTR)
CD	collection district
CPI	Consumer Price Index
CURF	confidentialised unit record file
ERP	estimated resident population
FISIM	financial intermediation services indirectly measured
GFC	global financial crisis
GMI	gross mixed income
GOS	gross operating surplus
GST	goods and services tax
HES	Household Expenditure Survey
MSI	main source of income
NPISH	non-profit institutions serving households
NSW	New South Wales
NT	Northern Territory
OECD	Organisation for Economic Co-operation and Development
Qld	Queensland
RSE	relative standard error
SA	South Australia
SE	standard error
SIH	Survey of Income and Housing
Tas.	Tasmania
Vic.	Victoria
WA	Western Australia

SUMMARY OF FINDINGS

INTRODUCTION

The economic wellbeing of individuals is largely determined by their command over economic resources. People's income and reserves of wealth provide access to many of the goods and services consumed in daily life. This publication provides indicators of the level and distribution of after tax (disposable) household income, after adjusting for household size and composition.

The estimates of disposable income in this publication are derived by deducting estimates of income tax liability, the Medicare levy and Medicare levy surcharge from the gross income data collected in the Survey of Income and Housing (SIH). Gross income is defined as receipts available for, or intended to support, current consumption, and are collected in respect of employment income (including non-cash benefits, bonuses, termination payments and irregular overtime), profit/loss from own unincorporated business, investment income (including interest, rent and dividends), lump sum workers' compensation receipts, private transfers (including superannuation, child support), other transfers from other households and cash transfers from government pensions and allowances. Some limits have been placed on items included as income, where the magnitude of the individual amounts received exceed that likely to be used to support current consumption e.g. termination payments, workers compensation payments.

While income is usually received by individuals, it is normally shared between partners in a couple relationship and with dependent children. To a lesser degree, there may be sharing with other members of the household. Even when there is no transfer of income between members of a household, nor provision of free or cheap accommodation, members are still likely to benefit from the economies of scale that arise from the sharing of dwellings. The income measures shown in this publication therefore relate to household income.

Larger households normally require a greater level of income to maintain the same material standard of living as smaller households, and the needs of adults are normally greater than the needs of children. The income estimates are therefore adjusted by equivalence factors to standardise the income estimates with respect to household size and composition, while taking into account the economies of scale that arise from the sharing of dwellings. The equivalised disposable income estimate for any household in this publication is expressed as the amount of disposable cash income that a single person household would require to maintain the same standard of living as the household in question, regardless of the size or composition of the latter.

Appendix 3 provides a more detailed explanation of equivalised disposable household income. It shows the differences in income measures when calculated from data at different stages in progression from gross household income, through disposable household income, to person weighted equivalised disposable household income.

The ABS has revised its standards for household income statistics following the adoption of new international standards in 2004 and review of aspects of the collection and dissemination of income data. These new standards were introduced for the first time in the 2007–08 reference period. The 2009–10 income estimates presented in this publication also apply the new income standards.

SUMMARY OF FINDINGS *continued*

KEY RESULTS

Some of the key income results from the 2009–10 SIH are:

- in real terms, average equivalised disposable household income did not show any significant change between 2007–08 (\$859) and 2009–10 (\$848) (Table 1)
- since 2007–08 there has been a decline in the number of households whose main source of income is unincorporated business income and an increase in the number of households whose main source of income is government pensions and allowances (Table 3)
- for households with middle and high income levels in 2009–10, wages and salaries were the main source of income for more than 80% of households, while for low income households (i.e. those people with household income in the second and third deciles) government pensions and allowances were the main income source for more than 60% of households (Table 6)
- people living in households where the reference person was aged 65 and over had the lowest mean equivalised disposable household incomes per week at \$598 (Table 14) in 2009–10
- people aged 65 and over who were living alone were more likely than couples where the reference person was aged 65 and over to have government pensions and allowances as their main source of income (76% compared to 65%) (Table 13)
- people aged 65 and over who were living alone were less likely than older couples to own their own home without a mortgage (72% compared to 84%) (Table 13)
- average equivalised disposable household incomes in the capital cities in Australia were 19% above those outside the capital cities (Tables 15 and 16)
- average equivalised disposable household incomes in the Australian Capital Territory (\$1,101), Western Australia (\$966), and the not very remote parts of the Northern Territory (\$938) were above the national average (\$848) (Table 17)
- average equivalised disposable household incomes in Tasmania and South Australia were below the national average by 17% and 6% respectively (Table 17).

Some of the key net worth results from the 2009–10 SIH are:

- the wealthiest 20% of households in Australia account for 62% of total household net worth, with an average net worth of \$2.2 million per household (Table 7)
- the poorest 20% of households account for 1% of total household net worth, with an average net worth of \$31,829 per household (Table 7)
- the households in which the 20% of people with the lowest equivalised household incomes live account for 15% of total household net worth, similar to the shares of net worth held by the households with people in the second and third equivalised household income quintiles (Table 6)
- the households in which the 20% of people with the highest equivalised household incomes live account for 40% of total household net worth (Table 6).

HOUSEHOLD INCOME

In 2009–10 average (mean) equivalised disposable household income for all persons living in private dwellings (i.e. the income that a single person household would require to maintain the same standard of living as the average person living in all private dwellings in Australia) was \$848 per week (Table 1). There were approximately 21.6 million people living in private dwellings (Table 2).

SUMMARY OF FINDINGS *continued*

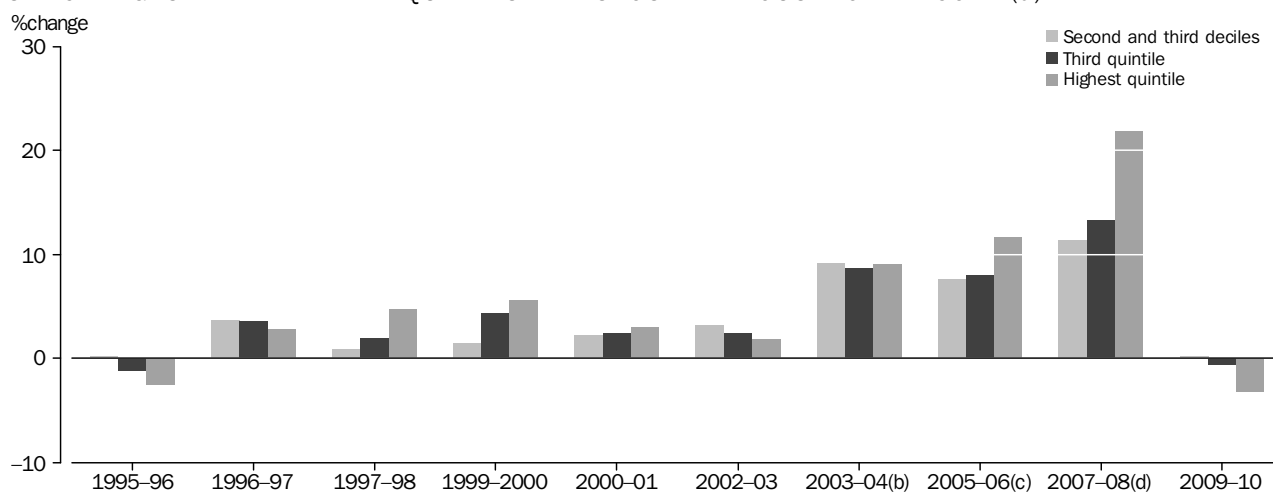
HOUSEHOLD INCOME

continued

In real terms, average equivalised disposable household income did not show any significant change between 2007–08 (\$859) and 2009–10 (\$848). In 2007–08 there was a break in series due to the improvements in measuring income introduced in this cycle. Adjusting for this break in series the net increase between 1994–95 and 2009–10 was 48%.

In real terms, there was no significant change in average equivalised disposable household income from 2007–08 to 2009–10 for low, middle or high income households.

S1. CHANGES IN MEAN REAL EQUIVALISED DISPOSABLE HOUSEHOLD INCOME (a)



(a) Change from previous survey year

(b) The 2003–04 data have been recompiled to reflect new treatments of income where data are available to support this calculation

(c) The 2005–06 data have been recompiled to reflect new treatments of income where data are available to support this calculation

(d) Estimates presented for 2007–08 and 2009–10 are not directly comparable with estimates for previous cycles due to the improvements made to measuring income introduced in the 2007–08 cycle. Estimates for 2003–04 and 2005–06 have been recompiled to reflect the new treatments of income, however not all new components introduced in 2007–08 are available for earlier cycles.

Household characteristics

Households with different characteristics tend to have different income levels, as shown in Table 6, and summarised in the following table. Wages and salaries were the main source of income (MSI) for over 80% of households with middle and high income levels in 2009–10 while government pensions and allowances dominated for low income households. However, low income households had the highest incidence of full ownership of their home, reflecting the high proportion of older people in the low income category.

SUMMARY OF FINDINGS *continued*

S2. HOUSEHOLD CHARACTERISTICS 2009–10, by income group

		<i>Low income(a)</i>	<i>Middle income(b)</i>	<i>High income(c)</i>
Mean equivalised disposable household income per week	\$	429	721	1 704
Has MSI of wages and salaries(d)	%	26.1	80.1	86.0
Has MSI of government pensions and allowances(d)	%	64.4	4.0	—
Owns home without a mortgage	%	45.1	28.2	23.3
Owns home with a mortgage	%	17.8	42.4	52.4
Rents from state/territory housing authority	%	7.2	1.3	*0.3
Rents from private landlord	%	25.5	25.1	20.9
Average number of persons in the household	no.	2.4	2.8	2.5
Average number of employed persons in the household	no.	0.6	1.6	1.9

* estimate has a relative standard error of 25% to 50% and should be used with caution

— nil or rounded to zero (including null cells)

(a) Persons in the second and third income deciles

(b) Persons in the middle income quintile

(c) Persons in the highest income quintile

(d) Main source of income (MSI)

Household characteristics continued

Middle income households contained more people on average than high income households (2.8 compared to 2.5) but contained fewer employed persons (1.6 compared to 1.9). In part, this reflects the different age profiles of the two groups. Table 6 shows that middle income households had an average of 0.8 persons under the age of 18 and 0.2 aged 65 and over, compared to 0.4 and 0.1 respectively for high income households. Low income households had an average of 0.6 employed persons, and housed an average of 2.4 persons. Of these, on average 0.7 were under 18 years, 1.1 were 18 to 64 years, and 0.7 were aged 65 years and over.

The characteristics of Australian households are changing over time. Table 3 shows that the average number of persons per household declined from 2.69 to 2.57, or about 4%, between 1994–95 and 2009–10. The proportion of couple only households increased from 23.7% to 26.2%, a higher increase than with any other family composition type. Each main source of income retained its relative importance between 1994–95 and 2009–10 with 60.8% of households primarily dependent on wages and salaries in 2009–10. The proportion of households reliant on government pensions and allowances was 25.2% in 2009–10 down from 28.5% in 1994–95. Since 2007–08 there has been a decline in the number of households whose main source of income is unincorporated business income and an increase in the number of households whose main source of income is government pensions and allowances. Over the last decade, home ownership remained relatively stable at around 70%.

Life cycle stages

Income levels across the population partly reflect the different life cycle stages that people have reached. A typical life cycle includes childhood, early adulthood, and the forming and maturing of families, as illustrated in Table 13. Other family situations and household compositions are shown in Table 12. The following table compares households in different life cycle stages.

SUMMARY OF FINDINGS *continued*

S3. INCOME AND HOUSEHOLD CHARACTERISTICS FOR SELECTED LIFE CYCLE GROUPS, 2009–10

	Number of households	Average number of persons	Average number of employed persons	Average number of dependent children	Proportion with government pensions and allowances as MSI (a)	Mean equivalised disposable household income per week	Proportion owning home without a mortgage
	'000	no.	no.	no.	%	\$	%
Lone person aged under 35	330.5	1.0	0.9	—	9.1	938	*3.5
Couple only, reference person under 35	469.1	2.0	1.8	—	*1.0	1 162	*1.7
Couple with dependent children only							
Eldest child under 5	446.2	3.4	1.5	1.4	7.4	822	5.9
Eldest child 5 to 14	846.8	4.2	1.6	2.2	7.5	865	10.6
Eldest child 15 to 24	551.7	4.1	2.3	2.1	6.7	912	23.3
Couple with							
Dependent & non-dependent children only	283.3	4.7	3.0	1.4	*5.9	896	22.8
Non-dependent children only	473.3	3.3	2.2	—	10.9	995	50.4
Couple only, reference person 55 to 64	542.4	2.0	1.1	—	19.8	925	57.4
Couple only, reference person 65 and over	741.6	2.0	0.3	—	64.6	594	84.0
Lone person 65 and over	742.0	1.0	0.1	—	76.1	473	71.8
One parent, one family households with dependent children	535.2	3.1	0.9	1.8	50.0	547	11.7

* estimate has a relative standard error of 25% to 50% and should be used with caution

— nil or rounded to zero (including null cells)
(a) Main source of income (MSI)

Life cycle stages continued

Younger couples without children had the highest mean equivalised disposable household income of \$1,162 per week (Table 13), with an average of 1.8 employed persons in the household. For couples with dependent children only, and with the eldest child being under five, mean equivalised disposable household income was \$822 per week (29% lower than for the young couples without children). This lower income principally reflects the lower average number of employed persons in these households (1.5) and the larger average number of persons in these households (3.4) over which incomes are shared.

Average incomes were higher for households with non-dependent children, reflecting higher proportions of employed persons in these households, but were lower for households comprising older couples and lone persons, where the numbers of employed persons were substantially lower.

People living in households where the reference person was aged 65 and over had the lowest mean incomes, with lone persons' incomes at \$473 (Table 13) per week. This was lower than for older couple only households where the reference person was aged 65 and over and the mean income was \$594 per week. Older lone persons were more likely than older couples to have government pensions and allowances as their main source of income (76% compared to 65%), while older couples were more likely to fully own their home (84% compared to 72%).

Households comprising one parent with dependent children had a mean income of \$547 per week (Table 12). Only 12% fully owned their home and therefore a substantially greater proportion were making mortgage or rental payments from their income. Of these households, 50% had government pensions and allowances as their main source of income. On average there were 0.9 employed persons in the household.

SUMMARY OF FINDINGS *continued*

States and territories

There were differences in the average levels of income between the states and territories (see Table 17). Tasmania's mean equivalised disposable household weekly income was 17% below the national average and South Australia was 6% below. In Table 17, the Australian Capital Territory, Western Australia and the Northern Territory are shown to have the highest mean incomes (30%, 14%, and 11% above the national average respectively). The high income levels reflect in part the younger age profile of the ACT and NT and the greater number of employed persons per household. The results for the Northern Territory also reflects the exclusion from the results of households in collection districts in the NT defined as very remote which, if included, would be likely to reduce the mean income in that territory. This potential for an overestimated mean income in the NT is based on the large relative size of the very remote population for that territory.

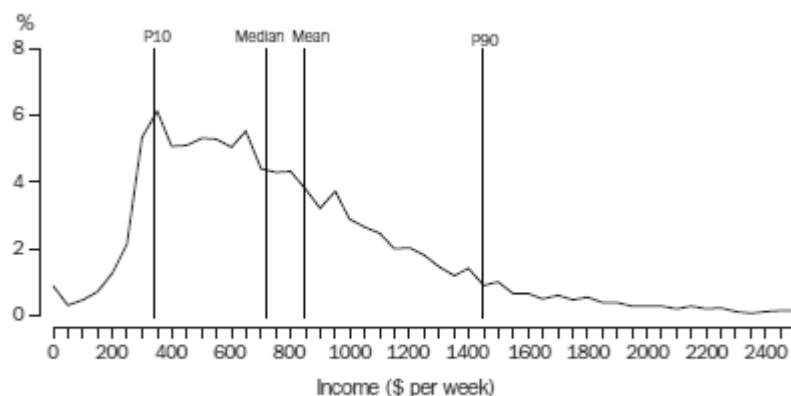
New South Wales, with the largest state population, recorded a mean equivalised disposable household weekly income only 1% above the national average, which is not a statistically significant difference (Table 17).

There are also differences between the equivalised disposable household incomes recorded in capital cities compared to those earned elsewhere in Australia. At the national level, mean incomes in the capital cities were 19% above those in the balance of state (Tables 15 and 16), with all states (separate information is not available for the ACT and NT) recording capital city mean incomes above those in the balance of state except in WA where the mean incomes were not significantly different. The largest differences recorded were for Victoria and South Australia where the capital city incomes were 23% and 22% respectively, above the mean incomes across the rest of the state.

INCOME DISTRIBUTION

While the mean equivalised disposable household income of all households in Australia in 2009–10 was \$848 per week, the median (i.e. the midpoint when all people are ranked in ascending order of income) was somewhat lower at \$715 (shown as P50 in Table 1). This difference reflects the typically asymmetric distribution of income where a relatively small number of people have relatively very high household incomes, and a large number of people have relatively lower household incomes, as illustrated in the following frequency distribution graph.

S4. DISTRIBUTION OF EQUIVALISED DISPOSABLE HOUSEHOLD INCOME, 2009–10



Note: Persons with an income between \$25 and \$2,500 are shown in \$50 ranges on the graph

SUMMARY OF FINDINGS *continued*

INCOME DISTRIBUTION

continued

Percentile ratios are one measure of the spread of incomes across the population. P90 (i.e. the income level dividing the bottom 90% of the population from the top 10%) and P10 (i.e. dividing the bottom 10% of the population from the rest) are shown on the above graph. In 2009–10 P90 was \$1448 per week and P10 was \$344 per week, giving a P90/P10 ratio of 4.21. Changes in these ratios can provide a picture of changing income distribution over time (Table 1).

Another measure of income distribution is provided by the income shares going to groups of people at different points in the income distribution. The following table (S5) shows that, in 2009–10 10.1% of total equivalised disposable household income went to people in the 'low income' group (i.e. those people with household income in the second and third deciles) with 40.2% going to the 'high income' group (i.e. the 20% of the population in the highest income quintile) (Table 1).

The Gini coefficient is a single statistic that lies between 0 and 1 and is a summary indicator of the degree of inequality, with values closer to 0 representing a lesser degree of inequality, and values closer to 1 representing greater inequality. For 2009–10 the Gini coefficient was 0.328.

Some of the change in the income distribution measures between 2005–06 and 2007–08 reflects the most recent improvements made in the 2007–08 cycle. The estimates presented in Tables 1–3 for 2003–04 and 2005–06 have been revised to be as comparable as possible with 2007–08 and 2009–10 estimates.

For more information on analysing income distribution please refer to Appendix 1.

S5. SELECTED INCOME DISTRIBUTION INDICATORS, Equivalised disposable household income

		1994–95	1995–96	1996–97	1997–98	1999–2000	2000–01
Percentage share of total income received by persons with							
Low income(a)	%	10.8	11.0	11.0	10.8	10.5	10.5
Middle income(b)	%	17.7	17.7	17.8	17.7	17.7	17.6
High income(c)	%	37.8	37.3	37.1	37.9	38.4	38.5
Ratio of incomes at top of selected income percentiles							
P90/P10	ratio	3.78	3.74	3.66	3.77	3.89	3.97
P80/P20	ratio	2.56	2.58	2.54	2.56	2.64	2.63
P80/P50	ratio	1.55	1.57	1.56	1.56	1.57	1.56
P20/P50	ratio	0.61	0.61	0.61	0.61	0.59	0.59
Gini coefficient	no.	0.302	0.296	0.292	0.303	0.310	0.311

(a) Persons in the second and third income deciles

(b) Persons in the middle income quintile

(c) Persons in the top income quintile

SUMMARY OF FINDINGS *continued*

S5. SELECTED INCOME DISTRIBUTION INDICATORS, Equivalised disposable household income *continued*

		2002-03	2003-04(a)	2005-06(a)	2007-08(a)	2009-10(a)
Percentage share of total income received by persons with						
Low income(b)	%	10.6	10.6	10.4	10.0	10.1
Middle income(c)	%	17.6	17.6	17.4	16.9	17.0
High income(d)	%	38.3	38.4	39.2	41.0	40.2
Ratio of incomes at top of selected income percentiles						
P90/P10	ratio	4.00	3.87	4.05	4.35	4.21
P80/P20	ratio	2.63	2.55	2.58	2.66	2.70
P80/P50	ratio	1.57	1.53	1.55	1.58	1.60
P20/P50	ratio	0.60	0.60	0.60	0.59	0.59
Gini coefficient	no.	0.309	0.306	0.314	0.336	0.328

(a) Estimates presented for 2007-08 and 2009-10 are not directly comparable with estimates for previous cycles due to the improvements made to measuring income introduced in the 2007-08 cycle. Estimates for 2003-04 and 2005-06 have been recompiled to reflect the new treatments of income, however not all new components introduced in 2007-08 are available for earlier cycles

(b) Persons in the second and third income deciles
(c) Persons in the middle income quintile
(d) Persons in the top income quintile

IMPUTED RENT

Including imputed rent as part of household income and expenditure conceptually treats owner-occupiers as if they were renting their home from themselves, thus simultaneously incurring rental expenditure and earning rental income. Imputed rent is included in income on a net basis i.e. the imputed value of the services received less the value of the housing costs incurred by the household in their role as landlord.

Table 18 presents the estimates of gross and net imputed rent for owner-occupied dwellings and other housing tenures where a rent imputation has been made for 2005-06, 2007-08 and 2009-10. The effect of adding net imputed rent to disposable household income is also shown (on an equivalised basis). The estimated mean gross imputed rent for owner-occupiers was higher than the mean imputation for subsidised renters or other tenure types. When housing costs were subtracted from gross imputed rent to derive net imputed rent, households who occupied their dwelling rent-free (2% of all private households) had the highest mean net imputed rent. Owners without a mortgage, who account for about a third of all private households, had the next highest mean net imputed rent.

In 2009-10 the addition of net imputed rent to disposable household income contributed, on average, an extra \$57 (7%) to the income of all households. The effect in 2005-06 and 2007-08 was similar. For some housing tenures the addition of net imputed rent to disposable household income saw a significant increase in their mean equivalised disposable household incomes. The largest effect was seen for households who occupied their dwelling as owners without a mortgage (20% increase in 2009-10). Consistent with previous years, there was also a significant increase in 2009-10 for tenants of state / territory housing authorities (17%). The overall effect of the addition of net imputed rent to disposable income is a reduction in the mean income disparities between housing tenures, with a significant decline in the ratio between tenures with the highest and lowest incomes. For example, in 2009-10 the ratio of the mean income of

SUMMARY OF FINDINGS *continued*

IMPUTED RENT *continued*

owners with a mortgage to the mean income of tenants of state/territory housing authorities declined from 2.3 to 2.0 when net imputed rent was included.

Impact on Income Distribution

The addition of net imputed rent to disposable household income has a partial equalising effect on the distribution of household income. This result reflects that, for many home owners in lower income ranges the family home that they own is the largest asset held by the household, and the net imputed rent income from that asset is a relatively large proportion of the household's incomes. In higher income ranges the net imputed rent income is a relatively smaller proportion of the household's incomes. This equalising effect of accounting for net imputed rent in income analysis is illustrated in the following frequency distribution graph, table and discussion of a range of distribution measures. (Note: Persons with an income between \$50 and \$2500 are shown in \$50 ranges on the graph).

S6. DISTRIBUTION OF EQUIVALISED DISPOSABLE HOUSEHOLD INCOME (EDHI), WITH AND WITHOUT IMPUTED RENT, 2009–10

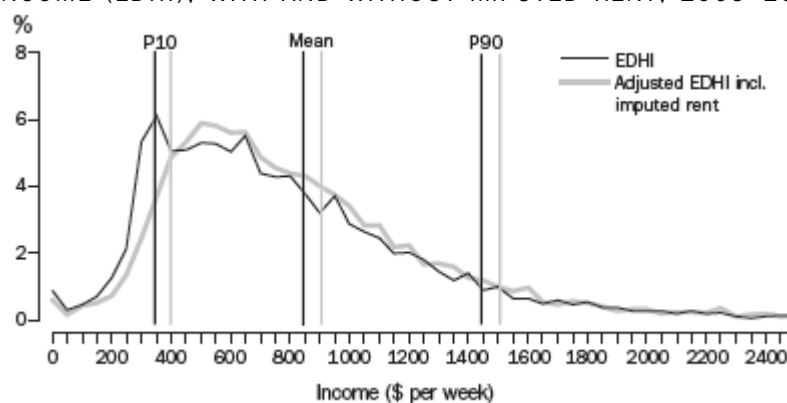


Table 19 shows that in 2009–10 P90 for equivalised disposable household income was \$1,448 per week and P10 was \$344 per week, giving a P90/P10 ratio of 4.21. When net imputed rent was added to income the P90/P10 ratio fell to 3.76. The addition of net imputed rent saw a decrease in the Gini coefficient from 0.328 to 0.309, a decrease of 5.8%. This further indicates that the inclusion of net imputed rent to income results in a more equal distribution.

WEALTH DISTRIBUTION

The distribution of net worth across households is much more unequal than for income, partly reflecting the common pattern of people gradually accumulating wealth throughout their working life. In 2009–10 the 20% of households with the lowest net worth accounted for only 1% of total household net worth, with an average net worth of \$31,829 per household (Table 7). The wealthiest 20% of households in Australia account for 62% of total household net worth, with an average net worth of \$2.2 million per household.

The picture of wealth is more equally distributed when viewed from the perspective of the distribution of incomes. The households in which the 20% of people with the lowest equivalised household incomes live account for 15% of total household net worth, similar to the shares of net worth held by the households with people in the second and third household income quintiles (13% and 14% respectively) (Table 6). The households

SUMMARY OF FINDINGS *continued*

WEALTH DISTRIBUTION

continued

in which the 20% of people with the highest equivalised household incomes live account for 40% of total household net worth (Table 6).

The distributional pattern of net worth is also marked when considered in terms of sources of household income and household tenure. Households where the main source of household income is 'other' income (principally investment income) had average household net worth of \$1.8 million, while for those where the main source of household income was government pensions and allowances the average household net worth was \$368,588 (Table 9). Net worth in renter households was on average only about 13% of the net worth in owner households with no mortgage, and about 21% of the net worth of owner households with a mortgage (Table 11).

CHILD CARE

In this publication, the child care use and cost estimates are based on data collected from child care questions being asked of households in the survey where children 12 years of age or less were resident. Table 8 provides key child care information by specific household characteristics. The cost of care estimates are also shown on a household basis.

In SIH 2009–10 respondents were asked to report child care use for the month prior to interview. On this basis, the proportion of children using care may be smaller than a measure based on a usual (or regular) attendance basis due to temporary absences, and larger than the proportion attending in a shorter reference period (such as a school term week). The largest difference will reflect the numbers of school children who will attend vacation care but no other formal care during a school term.

The number of households with children aged 0–12 years using only formal care in the month prior to interview was 247,200 (12% of households with children of this age).

For informal care, 658,200 households with children aged 0–12 years were using only this type of care in the month prior to interview (32% of households with children of this age). Of households with children aged 0–12 years, 366,000 (18%) used both formal and informal child care.

For households using only formal child care, the average weekly cost per household for formal child care before the Child Care Benefit or Child Care Rebate was deducted was \$153. For households using only formal child care, the average amount received per week for the Child Care Benefit and Child Care Rebate was \$39 and \$23 respectively.

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EQUIVALISED DISPOSABLE HOUSEHOLD INCOME

Indicator		1994-95	1995-96	1996-97	1997-98	1999-2000	2000-01	2002-03
Mean income per week(a)								
Lowest quintile	\$	215	216	228	225	228	232	237
Second quintile	\$	346	346	360	361	372	380	395
Third quintile	\$	479	474	490	500	521	533	546
Fourth quintile	\$	640	638	654	673	699	714	734
Highest quintile	\$	1 022	996	1 023	1 072	1 131	1 165	1 186
All persons	\$	540	534	551	566	590	605	620
Second and third deciles	\$	292	293	303	306	310	317	327
Income per week at top of selected percentiles(a)								
10th (P10)	\$	244	242	254	255	257	260	265
20th (P20)	\$	290	289	301	303	310	316	324
30th (P30)	\$	347	348	358	362	371	376	396
40th (P40)	\$	405	404	424	421	441	453	467
50th (P50)	\$	479	473	489	496	522	533	545
60th (P60)	\$	554	547	562	579	601	620	631
70th (P70)	\$	638	635	651	671	693	709	733
80th (P80)	\$	742	744	762	776	819	830	853
90th (P90)	\$	920	905	928	959	1 001	1 034	1 058
Income share								
Lowest quintile	%	7.9	8.1	8.3	8.0	7.7	7.7	7.7
Second quintile	%	12.8	13.0	13.1	12.8	12.6	12.6	12.8
Third quintile	%	17.7	17.7	17.8	17.7	17.7	17.6	17.6
Fourth quintile	%	23.7	23.9	23.7	23.8	23.7	23.6	23.7
Highest quintile	%	37.8	37.3	37.1	37.9	38.4	38.5	38.3
All persons	%	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Second and third deciles	%	10.8	11.0	11.0	10.8	10.5	10.5	10.6
Ratio of incomes at top of selected income percentiles								
P90/P10	ratio	3.78	3.74	3.66	3.77	3.89	3.97	4.00
P80/P20	ratio	2.56	2.58	2.54	2.56	2.64	2.63	2.63
P80/P50	ratio	1.55	1.57	1.56	1.56	1.57	1.56	1.57
P20/P50	ratio	0.61	0.61	0.61	0.61	0.59	0.59	0.60
Gini coefficient	no.	0.302	0.296	0.292	0.303	0.310	0.311	0.309
Number of households in sample	no.	6 819	6 963	7 245	7 025	6 637	6 786	10 211
Factor applied to adjust to 2009-10 dollars	no.	0.669	0.697	0.706	0.706	0.732	0.776	0.823

(a) In 2009-10 dollars, adjusted using changes in the Consumer Price Index

Indicator		2003-04(a)	2005-06(a)	2007-08(a)	2009-10(a)
Mean income per week(b)					
Lowest quintile	\$	269	287	313	314
Second quintile	\$	432	468	527	524
Third quintile	\$	593	641	726	721
Fourth quintile	\$	781	849	971	975
Highest quintile	\$	1 294	1 444	1 759	1 704
All persons	\$	674	738	859	848
Second and third deciles	\$	357	385	428	429
Income per week at top of selected percentiles(b)					
10th (P10)	\$	293	308	332	344
20th (P20)	\$	357	384	431	425
30th (P30)	\$	428	468	529	525
40th (P40)	\$	510	555	625	619
50th (P50)	\$	593	638	726	715
60th (P60)	\$	675	739	832	832
70th (P70)	\$	773	845	966	971
80th (P80)	\$	910	990	1 145	1 145
90th (P90)	\$	1 134	1 244	1 447	1 448
Income share					
Lowest quintile	%	8.0	7.8	7.3	7.4
Second quintile	%	12.8	12.7	12.3	12.4
Third quintile	%	17.6	17.4	16.9	17.0
Fourth quintile	%	23.2	23.0	22.6	23.0
Highest quintile	%	38.4	39.2	41.0	40.2
All persons	%	100.0	100.0	100.0	100.0
Second and third deciles	%	10.6	10.4	10.0	10.1
Ratio of incomes at top of selected income percentiles					
P90/P10	ratio	3.87	4.05	4.35	4.21
P80/P20	ratio	2.55	2.58	2.66	2.70
P80/P50	ratio	1.53	1.55	1.58	1.60
P20/P50	ratio	0.60	0.60	0.59	0.59
Gini coefficient	no.	0.306	0.314	0.336	0.328
Number of households in sample	no.	11 361	9 961	9 345	18 071
Factor applied to adjust to 2009-10 dollars	no.	0.843	0.891	0.948	1.000

(a) Estimates presented from 2007-08 and 2009-10 are not directly comparable with estimates for previous cycles due to the improvements made to measuring income introduced in the 2007-08 cycle. Estimates for 2003-04 and 2005-06 have been recompiled to reflect the new treatments of income, however not all new components introduced in 2007-08 are available for earlier cycles

(b) In 2009-10 dollars, adjusted using changes in the Consumer Price Index

HOUSEHOLDS AND PERSONS BY INCOME RANGE

1994-95 1995-96 1996-97 1997-98 1999-2000 2000-01 2002-03

NUMBER OF HOUSEHOLDS ('000)

Gross household income
per week(a)

Negative income	37.8	36.8	33.3	33.3	39.5	40.1	32.1
No income	39.2	28.7	34.0	41.2	36.1	46.0	65.5
\$1-\$99	72.9	60.0	42.2	61.7	51.0	71.9	77.3
\$100-\$199	75.5	92.4	72.0	90.8	83.4	78.5	80.0
\$200-\$299	670.4	672.6	643.8	632.0	682.5	677.0	638.8
\$300-\$399	371.5	392.6	385.5	392.6	366.0	387.0	428.1
\$400-\$499	555.5	562.9	600.7	578.3	593.6	580.9	537.6
\$500-\$599	375.4	398.6	396.9	400.6	390.2	445.6	422.1
\$600-\$799	668.3	703.1	664.7	702.4	672.4	715.9	769.2
\$800-\$999	589.0	641.4	620.0	648.9	620.2	623.6	674.9
\$1,000-\$1,199	552.9	518.0	587.8	557.3	551.2	567.6	600.0
\$1,200-\$1,399	509.6	479.2	508.2	502.3	541.8	579.0	580.4
\$1,400-\$1,599	408.8	449.7	479.3	438.6	446.4	484.8	521.5
\$1,600-\$1,799	325.8	380.5	342.0	351.0	380.3	419.0	410.1
\$1,800-\$1,999	289.8	291.8	286.4	324.8	297.9	342.5	356.5
\$2,000-\$2,499	525.7	473.5	500.2	527.1	586.1	569.1	607.8
\$2,500-\$2,999	211.2	209.2	263.0	277.7	313.1	297.3	384.1
\$3,000-\$3,999	162.9	169.5	212.8	215.7	311.3	220.5	291.4
\$4,000-\$4,999	46.6	49.0	51.3	61.8	94.1	82.1	87.7
\$5,000 or more	57.7	47.6	46.4	64.2	64.0	86.7	73.0
All households	6 546.6	6 657.2	6 770.6	6 902.3	7 121.2	7 314.9	7 638.2

NUMBER OF PERSONS ('000)

Equivalised disposable
household income per
week (a)

No income	170.7	129.6	138.6	169.6	159.5	157.8	175.4
\$1-\$49	132.0	91.6	83.6	94.5	112.0	101.2	110.3
\$50-\$99	97.7	120.2	89.9	95.3	100.3	79.6	87.0
\$100-\$149	170.2	212.2	136.8	205.8	175.9	190.5	178.5
\$150-\$199	301.1	428.0	355.2	339.9	353.6	345.7	237.2
\$200-\$249	1 193.5	1 060.9	879.2	750.3	744.1	724.9	658.8
\$250-\$299	1 768.3	1 890.2	1 910.2	1 884.9	1 788.0	1 665.5	1 618.4
\$300-\$349	1 550.8	1 471.8	1 592.9	1 546.8	1 601.5	1 529.3	1 466.2
\$350-\$399	1 509.0	1 623.4	1 401.7	1 609.6	1 386.4	1 454.2	1 395.7
\$400-\$449	1 175.1	1 355.4	1 355.7	1 292.5	1 249.9	1 215.2	1 319.5
\$450-\$499	1 246.7	1 208.5	1 389.5	1 187.3	1 198.1	1 200.0	1 263.2
\$500-\$599	2 232.6	2 239.0	2 394.7	2 202.4	2 309.0	2 273.5	2 416.9
\$600-\$699	1 948.3	1 787.3	1 855.0	1 978.6	2 007.5	2 050.8	2 060.0
\$700-\$799	1 280.2	1 412.8	1 440.4	1 571.4	1 518.5	1 641.3	1 660.7
\$800-\$899	903.6	997.4	1 073.6	1 076.3	1 276.2	1 196.1	1 282.9
\$900-\$999	671.4	697.0	609.5	723.1	799.7	924.0	971.0
\$1,000-\$1,099	419.5	388.0	490.7	519.0	567.8	614.3	731.2
\$1,100-\$1,399	549.0	506.8	609.5	631.5	866.5	938.2	1 076.5
\$1,400-\$1,699	165.9	148.4	157.3	232.1	189.3	259.7	319.2
\$1,700-\$1,999	*49.4	38.0	57.8	76.2	117.8	130.4	139.9
\$2,000 or more	73.1	54.8	*67.6	89.3	130.6	166.5	134.5
All persons	17 608.2	17 861.2	18 089.4	18 276.4	18 652.2	18 858.8	19 303.1

* estimate has a relative standard error of 25% to 50% and should be used with caution

(a) In 2009-10 dollars, adjusted using changes in the Consumer Price Index

2003-04(a) 2005-06(a) 2007-08(a) 2009-10(a)

NUMBER OF HOUSEHOLDS ('000)

Gross household income
per week(b)

Negative income	17.6	21.4	*14.4	24.8
No income	37.2	19.8	27.8	15.5
\$1-\$99	51.0	71.6	64.8	81.6
\$100-\$199	66.6	53.4	55.0	62.3
\$200-\$299	571.8	567.2	432.1	170.7
\$300-\$399	399.3	359.8	386.8	645.0
\$400-\$499	527.2	453.9	327.0	328.8
\$500-\$599	515.5	475.4	429.3	497.6
\$600-\$799	724.6	714.5	700.9	802.4
\$800-\$999	616.1	646.6	616.4	637.2
\$1,000-\$1,199	666.2	646.0	584.5	605.2
\$1,200-\$1,399	557.5	552.7	519.0	556.0
\$1,400-\$1,599	524.0	469.7	525.9	513.5
\$1,600-\$1,799	437.4	483.5	486.7	469.3
\$1,800-\$1,999	379.5	415.2	411.4	445.4
\$2,000-\$2,499	701.7	789.9	859.7	869.5
\$2,500-\$2,999	370.3	454.4	553.2	566.3
\$3,000-\$3,999	344.2	435.4	581.1	634.1
\$4,000-\$4,999	110.3	135.2	212.7	230.0
\$5,000 or more	118.0	160.5	288.9	243.2
All households	7 735.8	7 926.2	8 077.3	8 398.5

NUMBER OF PERSONS ('000)

Equivalised disposable
household income per
week (b)

No income	87.3	73.7	72.6	89.0
\$1-\$49	104.9	95.3	84.4	102.0
\$50-\$99	65.8	*69.6	52.9	65.3
\$100-\$149	107.4	91.7	84.6	101.7
\$150-\$199	167.2	123.4	153.1	154.5
\$200-\$249	453.2	378.4	252.6	273.6
\$250-\$299	1 243.0	914.6	699.6	463.0
\$300-\$349	1 519.3	1 397.8	1 128.3	1 150.7
\$350-\$399	1 401.9	1 250.5	988.9	1 319.9
\$400-\$449	1 207.2	1 128.8	1 052.9	1 091.9
\$450-\$499	1 185.3	1 251.2	1 045.1	1 101.8
\$500-\$599	2 411.9	2 264.9	2 168.1	2 283.5
\$600-\$699	2 327.1	2 239.5	2 054.5	2 278.3
\$700-\$799	1 911.1	1 932.1	1 965.8	1 868.4
\$800-\$899	1 357.5	1 656.5	1 760.5	1 745.2
\$900-\$999	1 120.9	1 192.8	1 307.1	1 492.5
\$1,000-\$1,099	774.9	980.8	1 228.7	1 196.0
\$1,100-\$1,399	1 251.4	1 550.7	2 259.4	2 359.6
\$1,400-\$1,699	472.8	644.3	990.2	1 107.6
\$1,700-\$1,999	170.1	250.4	518.9	573.3
\$2,000 or more	266.4	443.8	774.8	771.7
All persons	19 606.6	19 930.7	20 643.1	21 589.4

* estimate has a relative standard error of 25% to 50% and should be used with caution

- (a) Estimates presented from 2007-08 and 2009-10 are not directly comparable with estimates for previous cycles due to the improvements made to measuring income introduced in the 2007-08 cycle. Estimates for 2003-04 and 2005-06 have been recompiled to reflect the new treatments of income, however not all new components introduced in 2007-08 are available for earlier cycles
- (b) In 2009-10 dollars, adjusted using changes in the Consumer Price Index

Household characteristics		1994-95	1995-96	1996-97	1997-98	1999-2000	2000-01	2002-03
Proportion of households with characteristic								
Main source of household income								
Zero or negative income	%	1.1	1.0	0.9	1.0	0.9	1.1	1.2
Wages and salaries	%	57.6	56.8	56.3	56.8	56.7	56.9	58.0
Own unincorporated business income	%	6.1	7.3	6.6	6.0	6.4	6.4	6.2
Government pensions and allowances	%	28.5	28.0	28.6	28.5	28.7	28.3	26.6
Other income	%	6.7	7.0	7.6	7.7	7.3	7.3	8.1
Total	%	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Contribution of government pensions and allowances to gross household income								
Nil or less than 1%	%	41.0	41.4	41.7	43.3	44.7	44.4	46.1
1% to less than 20%	%	20.7	20.6	19.9	18.5	17.7	16.9	17.2
20% to less than 50%	%	9.0	9.2	9.0	8.9	8.2	9.5	9.0
50% to less than 90%	%	6.5	7.4	8.2	7.7	7.8	7.4	7.5
90% and over	%	21.8	20.4	20.3	20.7	20.7	20.7	19.0
Total (a)	%	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Tenure and landlord type								
Owner without a mortgage	%	41.8	42.8	41.3	39.5	38.6	38.2	36.4
Owner with a mortgage	%	29.6	28.1	28.3	30.9	32.1	32.1	33.1
Renter								
State/territory housing authority	%	5.5	6.0	5.6	5.8	5.8	5.0	4.9
Private landlord	%	18.4	19.0	20.4	20.0	19.9	21.0	22.0
Other landlord type	%	1.7	1.9	2.0	1.5	1.5	1.4	1.3
Total renters	%	25.7	26.9	27.9	27.2	27.2	27.4	28.2
Other tenure type	%	2.9	2.2	2.4	2.4	2.2	2.3	2.4
Total	%	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Family composition of household								
One family households								
Couple family with dependent children	%	30.5	30.2	29.5	29.7	28.6	27.5	26.8
One parent family with dependent children	%	6.0	6.3	6.0	6.8	6.9	7.4	6.9
Couple only	%	23.7	23.5	23.6	23.7	23.9	24.3	25.4
Other one family households	%	11.5	11.6	10.9	10.9	10.9	10.9	11.2
Multiple family households	%	1.3	1.2	1.6	1.3	1.3	1.3	1.2
Non-family households								
Lone person	%	22.8	22.9	23.4	23.6	24.4	24.6	25.2
Group households	%	4.3	4.3	5.0	4.0	4.1	4.0	3.2
Total	%	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Average number in household								
Employed persons	no.	1.22	1.24	1.23	1.23	1.24	1.23	1.23
Dependent children	no.	0.73	0.73	0.72	0.73	0.70	0.68	0.65
Persons								
Under 18 years	no.	0.71	0.71	0.70	0.70	0.68	0.65	0.62
18 to 64 years	no.	1.68	1.67	1.67	1.65	1.64	1.63	1.61
65 years and over	no.	0.30	0.30	0.30	0.30	0.30	0.30	0.29
Total	no.	2.69	2.68	2.67	2.65	2.62	2.58	2.53
Estimated number in population								
Households								
Capital city	'000	4 164.5	4 234.6	4 266.7	4 376.4	4 554.2	4 637.6	4 831.8
Balance of state	'000	2 382.1	2 422.6	2 503.9	2 525.9	2 567.0	2 677.4	2 806.4
Total	'000	6 546.6	6 657.2	6 770.6	6 902.3	7 121.2	7 314.9	7 638.2
Persons	'000	17 608.2	17 861.2	18 089.4	18 276.4	18 652.2	18 858.8	19 303.1
Number of households in sample	no.	6 819	6 963	7 245	7 025	6 637	6 786	10 211

(a) Includes households with nil or negative total income

Household characteristics

2003-04(a) 2005-06(a) 2007-08(a) 2009-10(a)

Proportion of households with characteristic

Main source of household income					
Zero or negative income	%	0.6	0.5	0.4	0.5
Wages and salaries	%	57.7	59.4	61.5	60.8
Own unincorporated business income	%	6.0	6.0	5.7	4.8
Government pensions and allowances	%	27.7	26.1	23.2	25.2
Other income	%	8.1	7.9	9.2	8.7
Total	%	100.0	100.0	100.0	100.0
Contribution of government pensions and allowances to gross household income					
Nil or less than 1%	%	44.3	43.9	46.4	45.5
1% to less than 20%	%	18.5	20.2	20.4	19.4
20% to less than 50%	%	9.1	9.5	10.1	9.7
50% to less than 90%	%	8.8	8.6	8.4	9.1
90% and over	%	18.6	17.3	14.3	15.9
Total (b)	%	100.0	100.0	100.0	100.0
Tenure and landlord type					
Owner without a mortgage	%	34.9	34.3	33.2	32.6
Owner with a mortgage	%	35.1	35.0	35.1	36.2
Renter					
State/territory housing authority	%	4.9	4.7	4.5	3.9
Private landlord	%	21.2	22.0	23.9	23.7
Other landlord type	%	1.5	1.9	1.3	1.1
Total renters	%	27.6	28.5	29.7	28.7
Other tenure type	%	2.4	2.2	2.0	2.5
Total	%	100.0	100.0	100.0	100.0
Family composition of household					
One family households					
Couple family with dependent children	%	27.1	26.2	26.4	26.3
One parent family with dependent children	%	6.8	6.8	6.2	6.4
Couple only	%	26.1	25.8	26.5	26.2
Other one family households	%	10.4	11.5	11.6	11.7
Multiple family households	%	1.0	1.0	1.4	1.7
Non-family households					
Lone person	%	25.4	25.7	24.8	24.5
Group households	%	3.2	3.0	3.2	3.3
Total	%	100.0	100.0	100.0	100.0
Average number in household					
Employed persons	no.	1.23	1.26	1.32	1.31
Dependent children	no.	0.66	0.63	0.64	0.64
Persons					
Under 18 years	no.	0.63	0.60	0.61	0.61
18 to 64 years	no.	1.59	1.60	1.62	1.64
65 years and over	no.	0.31	0.32	0.32	0.33
Total	no.	2.53	2.51	2.56	2.57
Estimated number in population					
Households					
Capital city	'000	4 908.2	5 026.2	5 101.9	5 330.3
Balance of state	'000	2 827.6	2 899.9	2 975.4	3 068.2
Total	'000	7 735.8	7 926.2	8 077.3	8 398.5
Persons	'000	19 606.6	19 930.7	20 643.1	21 589.4
Number of households in sample	no.	11 361	9 961	9 345	18 071

(a) Estimates presented from 2007-08 and 2009-10 are not directly comparable with estimates for previous cycles due to the improvements made to measuring income introduced in the 2007-08 cycle. Estimates for 2003-04 and 2005-06 have been recompiled to reflect the new treatments of income, however not all new components introduced in 2007-08 are available for earlier cycles

(b) Includes households with nil or negative total income

Household characteristics	EQUIVALISED DISPOSABLE HOUSEHOLD INCOME QUINTILE						Second and third deciles	
	Lowest	Second	Third	Fourth	Highest	All persons		
	%	%	%	%	%	%	'000	%
Main source of household income								
Zero or negative income	100.0	—	—	—	—	100.0	89.0	—
Wages and salaries	5.2	18.0	24.9	26.6	25.4	100.0	14 640.9	10.6
Own unincorporated business income	16.8	22.6	22.2	14.8	23.6	100.0	1 115.7	19.1
Government pensions and allowances	69.5	27.1	3.0	*0.5	—	100.0	4 306.3	54.5
Other income	20.5	18.7	21.0	16.8	23.0	100.0	1 437.5	14.3
Total	20.0	20.0	20.0	20.0	20.0	100.0	21 589.4	20.0
Family composition of household								
One family households								
Couple family with dependent children, reference person aged								
15–44	14.7	24.3	24.4	21.9	14.7	100.0	5 696.7	18.8
45 and over	11.9	17.2	23.5	22.6	24.7	100.0	3 428.1	13.9
Total	13.6	21.6	24.1	22.2	18.4	100.0	9 124.7	16.9
One parent family with dependent children, reference person aged								
15–44	47.6	29.8	15.5	5.3	*1.8	100.0	1 125.4	43.5
45 and over	24.2	30.4	27.1	10.9	*7.4	100.0	537.6	29.2
Total	40.0	30.0	19.2	7.2	3.6	100.0	1 663.0	38.9
Couple only, reference person aged								
15–44	5.3	7.2	12.8	27.1	47.6	100.0	1 322.4	6.3
45–64	17.9	15.2	15.9	20.9	30.0	100.0	1 594.3	15.1
65 and over	47.8	26.9	10.4	7.9	7.0	100.0	1 483.2	46.9
Total	24.2	16.8	13.1	18.4	27.5	100.0	4 399.8	23.2
Other one family households, reference person aged								
15–44	*7.1	12.7	18.1	26.2	35.9	100.0	585.0	9.6
45 and over	11.2	19.0	23.4	24.0	22.4	100.0	2 294.0	14.4
Total	10.3	17.7	22.4	24.4	25.2	100.0	2 878.9	13.4
Multiple family households								
Non-family households								
Lone person aged								
15–24	27.7	16.7	27.7	23.1	*4.8	100.0	73.7	*10.7
25–44	16.5	6.4	20.6	24.9	31.5	100.0	513.2	7.5
45–64	41.7	11.0	15.2	13.9	18.3	100.0	726.4	17.3
65 and over	63.8	20.1	8.8	4.1	3.2	100.0	742.0	46.2
Total	42.9	13.3	14.7	13.4	15.7	100.0	2 055.2	25.0
Group households								
Total	9.5	14.2	19.4	25.2	31.7	100.0	704.4	14.2
Total	20.0	20.0	20.0	20.0	20.0	100.0	21 589.4	20.0
Household includes								
2 or more employed persons	6.0	12.6	23.4	28.6	29.4	100.0	11 694.2	7.4
1 employed person	16.3	32.9	22.8	14.4	13.6	100.0	5 830.5	25.5
No employed person but at least 1 unemployed person	84.5	13.0	*2.3	**0.2	—	100.0	429.8	39.8
No persons in the labour force, reference person aged								
15–44	78.3	15.8	*3.0	*0.9	**1.9	100.0	732.5	48.7
45–64	65.8	18.8	8.7	3.5	*3.2	100.0	809.7	40.5
65 and over	57.0	28.6	7.4	4.4	2.5	100.0	2 092.7	53.0
Total	20.0	20.0	20.0	20.0	20.0	100.0	21 589.4	20.0
Persons living in								
Capital city	17.9	18.3	19.7	20.8	23.3	100.0	13 918.4	17.1
Balance of state	23.9	23.1	20.5	18.5	14.0	100.0	7 671.0	25.3
Total	20.0	20.0	20.0	20.0	20.0	100.0	21 589.4	20.0

* estimate has a relative standard error of 25% to 50% and should be used with caution

** estimate has a relative standard error greater than 50% and is considered too unreliable for general use

— nil or rounded to zero (including null cells)

INCOME AND INCOME DISTRIBUTION (a), Household characteristics of persons

<i>Household characteristics</i>	<i>Mean income per week</i>	<i>Median income per week</i>	<i>P90/P10</i>	<i>P80/P20</i>	<i>P80/P50</i>	<i>P20/P50</i>	<i>Gini coefficient</i>
	\$	\$	ratio	ratio	ratio	ratio	no.
Main source of household income							
Wages and salaries	968	852	3.09	2.11	1.47	0.70	0.264
Own unincorporated business income	923	702	4.38	2.73	1.76	0.64	0.363
Government pensions and allowances	387	374	2.09	1.52	1.27	0.84	0.167
Other income	998	730	6.95	2.89	1.66	0.57	0.446
Total(b)	848	715	4.21	2.70	1.60	0.59	0.328
Family composition of household							
One family households							
Couple family with dependent children, reference person aged							
15-44	810	698	3.51	2.18	1.48	0.68	0.296
45 and over	971	811	4.19	2.40	1.54	0.64	0.327
Total	870	738	3.81	2.27	1.50	0.66	0.312
One parent family with dependent children, reference person aged							
15-44	496	436	2.55	1.91	1.46	0.77	0.240
45 and over	653	580	2.97	2.04	1.40	0.69	0.270
Total	547	478	2.87	2.00	1.46	0.73	0.262
Couple only, reference person aged							
15-44	1 172	1 124	3.27	2.03	1.37	0.67	0.240
45-64	994	840	5.24	3.09	1.65	0.54	0.363
65 and over	594	435	3.02	2.03	1.63	0.80	0.332
Total	913	761	4.92	3.36	1.73	0.52	0.357
Other one family households, reference person aged							
15-44	1 015	959	3.26	2.18	1.41	0.65	0.247
45 and over	918	803	3.40	2.23	1.48	0.67	0.285
Total	938	825	3.45	2.26	1.50	0.66	0.279
Multiple family households							
Non-family households							
Lone person aged							
15-24	650	639	4.39	2.93	1.41	0.48	0.273
25-44	999	896	5.33	2.55	1.50	0.59	0.325
45-64	745	575	6.03	3.47	1.87	0.54	0.420
65 and over	473	375	2.40	1.68	1.49	0.89	0.259
Total	707	522	4.62	3.05	1.94	0.64	0.387
Group households							
Total	848	715	4.21	2.70	1.60	0.59	0.328
Household includes							
2 or more employed persons	1 029	912	3.18	2.07	1.44	0.70	0.274
1 employed person	768	624	3.48	2.15	1.55	0.72	0.311
No employed person but at least 1 unemployed person	329	334	2.94	1.73	1.24	0.72	0.218
No persons in the labour force, reference person aged							
15-44	374	355	2.29	1.57	1.22	0.78	0.220
45-64	449	368	3.23	1.78	1.45	0.82	0.309
65 and over	485	400	2.27	1.63	1.38	0.85	0.245
Total	848	715	4.21	2.70	1.60	0.59	0.328
Persons living in							
Capital city	898	765	4.42	2.69	1.59	0.59	0.329
Balance of state	757	650	3.82	2.58	1.57	0.61	0.316
Total	848	715	4.21	2.70	1.60	0.59	0.328

(a) Equivalised disposable household income

(b) Includes households with nil or negative total income

EQUIVALISED DISPOSABLE HOUSEHOLD INCOME QUINTILE

Household characteristics	EQUIVALISED DISPOSABLE HOUSEHOLD INCOME QUINTILE						All households	Second and third deciles
	Lowest	Second	Third	Fourth	Highest			
Income per week								
Equivalised disposable household income								
Mean income	\$	314	524	721	975	1 704	848	429
Median income	\$	344	525	715	971	1 448	715	425
Mean household net worth	\$	434 686	513 750	555 448	705 314	1 396 342	719 561	430 196
Proportion of households with characteristic								
Main source of household income								
Zero or negative income	%	2.0	—	—	—	—	0.5	—
Wages and salaries	%	11.9	51.7	80.1	87.2	86.0	60.8	26.1
Own unincorporated business income	%	3.5	5.2	5.6	4.2	5.9	4.8	3.9
Government pensions and allowances	%	74.5	34.1	4.0	*0.6	—	25.2	64.4
Other income	%	8.2	9.0	10.3	8.0	8.1	8.7	5.6
Total	%	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Contribution of government pensions and allowances to gross household income								
Nil or less than 1%	%	11.8	19.3	39.1	71.6	90.5	45.5	10.6
1% to less than 20%	%	5.7	23.3	40.8	24.1	9.3	19.4	11.1
20% to less than 50%	%	6.2	24.2	16.4	3.9	*0.2	9.7	14.3
50% to less than 90%	%	16.0	25.3	2.6	*0.4	—	9.1	27.1
90% and over	%	58.4	8.0	1.1	—	—	15.9	36.9
Total(a)	%	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Tenure and landlord type								
Owner without a mortgage	%	46.1	38.8	28.2	23.2	23.3	32.6	45.1
Owner with a mortgage	%	15.6	26.8	42.4	48.5	52.4	36.2	17.8
Renter								
State/territory housing authority	%	12.2	2.9	1.3	*0.5	*0.3	3.9	7.2
Private landlord	%	20.9	27.8	25.1	25.4	20.9	23.7	25.5
Other landlord type	%	1.7	1.2	*0.6	0.9	*0.8	1.1	1.5
Total renters	%	34.9	31.8	27.0	26.8	22.0	28.7	34.1
Other tenure type	%	3.5	2.5	2.5	1.6	2.3	2.5	2.9
Total	%	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Family composition of household								
One family households								
Couple family with dependent children	%	13.9	29.8	34.6	32.5	25.0	26.3	19.6
One parent family with dependent children	%	9.7	10.7	7.1	2.8	1.2	6.4	11.4
Couple only	%	25.9	24.1	19.0	25.8	35.0	26.2	28.6
Other one family households	%	5.3	12.1	14.5	14.5	13.7	11.7	8.1
Multiple family households	%	*0.9	2.7	1.6	2.6	*1.1	1.7	1.1
Non-family households								
Lone person	%	42.9	17.9	19.9	17.6	18.6	24.5	28.8
Group households	%	1.4	2.8	3.4	4.1	5.3	3.3	2.4
Total	%	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Average number in household								
Employed persons	no.	0.4	1.0	1.6	1.9	1.9	1.3	0.6
Dependent children	no.	0.5	0.9	0.8	0.6	0.4	0.6	0.7
Persons								
Under 18 years	no.	0.5	0.8	0.8	0.6	0.4	0.6	0.7
18 to 64 years	no.	1.0	1.5	1.9	2.0	2.0	1.6	1.1
65 years and over	no.	0.6	0.5	0.2	0.1	0.1	0.3	0.7
Total	no.	2.1	2.8	2.8	2.8	2.5	2.6	2.4
Estimated number in population								
Households								
Capital city	'000	1 150.0	889.2	959.9	1 040.0	1 291.3	5 330.3	983.9
Balance of state	'000	903.2	641.5	560.0	523.7	439.9	3 068.2	801.6
Total	'000	2 053.2	1 530.6	1 519.8	1 563.7	1 731.2	8 398.5	1 785.5
Persons	'000	4 318.8	4 317.9	4 318.2	4 317.6	4 316.9	21 589.4	4 318.1
Number of households in sample	no.	5 908	3 552	2 797	2 821	2 993	18 071	5 188

* estimate has a relative standard error of 25% to 50% and should be used with caution

— nil or rounded to zero (including null cells)

(a) Includes households with nil or negative total income

Household characteristics	NET WORTH QUINTILE					All households
	Lowest	Second	Third	Fourth	Highest	
Income per week						
Gross household income						
Mean income	\$ 1 026	1 586	1 462	1 699	2 665	1 688
Median income	\$ 852	1 439	1 215	1 493	2 028	1 320
Equivalised disposable household income						
Mean income	\$ 579	800	752	838	1 215	848
Median income	\$ 499	716	677	767	996	715
Mean household net worth	\$ 31 829	195 749	427 168	720 536	2 223 013	719 561
Proportion of households with characteristic						
Main source of household income						
Zero or negative income	% *0.2	*0.5	*0.4	*0.5	*0.9	0.5
Wages and salaries	% 50.6	70.8	61.3	61.9	59.4	60.8
Own unincorporated business income	% 3.0	4.9	4.1	4.4	7.6	4.8
Government pensions and allowances	% 42.4	20.8	30.7	25.0	7.2	25.2
Other income	% 3.7	3.1	3.4	8.2	24.9	8.7
Total	% 100.0	100.0	100.0	100.0	100.0	100.0
Contribution of government pensions and allowances to gross household income						
Nil or less than 1%	% 36.3	48.9	37.6	42.9	61.6	45.5
1% to less than 20%	% 10.0	21.0	22.1	22.2	21.9	19.4
20% to less than 50%	% 11.5	9.1	9.4	9.9	8.4	9.7
50% to less than 90%	% 10.9	6.8	10.0	13.1	4.5	9.1
90% and over	% 31.2	13.7	20.5	11.5	2.7	15.9
Total (a)	% 100.0	100.0	100.0	100.0	100.0	100.0
Tenure and landlord type						
Owner without a mortgage	% *0.4	11.8	39.4	50.1	61.1	32.6
Owner with a mortgage	% 3.8	45.9	51.7	45.4	34.2	36.2
Renter						
State/territory housing authority	% 17.4	1.8	**0.1	**0.1	**0.1	3.9
Private landlord	% 70.2	35.0	7.4	3.1	3.0	23.7
Other landlord type	% 3.3	1.1	*0.4	*0.3	**0.3	1.1
Total renters	% 91.0	37.9	7.8	3.5	3.3	28.7
Other tenure type	% 4.8	4.4	1.1	1.0	1.4	2.5
Total	% 100.0	100.0	100.0	100.0	100.0	100.0
Family composition of household						
One family households						
Couple family with dependent children	% 15.9	26.9	28.1	29.0	31.5	26.3
One parent family with dependent children	% 16.7	6.3	4.3	2.8	1.8	6.4
Couple only	% 15.4	23.1	26.1	30.4	36.0	26.2
Other one family households	% 8.3	8.8	11.3	15.4	14.4	11.7
Multiple family households	% 1.1	1.7	1.9	1.2	2.5	1.7
Non-family households						
Lone person	% 34.2	27.8	27.0	20.5	12.7	24.5
Group households	% 8.2	5.3	1.4	*0.8	*1.1	3.3
Total	% 100.0	100.0	100.0	100.0	100.0	100.0
Average number in household						
Employed persons	no. 0.9	1.4	1.2	1.4	1.6	1.3
Dependent children	no. 0.7	0.7	0.6	0.6	0.6	0.6
Persons						
Under 18 years	no. 0.7	0.7	0.6	0.6	0.5	0.6
18 to 64 years	no. 1.5	1.7	1.5	1.6	1.8	1.6
65 years and over	no. 0.1	0.2	0.4	0.5	0.4	0.3
Total	no. 2.4	2.5	2.5	2.7	2.8	2.6
Estimated number in population						
Households	'000 1 680.3	1 679.7	1 679.4	1 679.8	1 679.4	8 398.5
Persons	'000 3 975.5	4 227.3	4 245.0	4 452.6	4 689.0	21 589.4
Number of households in sample	no. 3 971	3 424	3 921	3 632	3 123	18 071

* estimate has a relative standard error of 25% to 50% and should be used with caution

** estimate has a relative standard error greater than 50% and is considered too unreliable for general use

(a) Includes households with nil or negative total income

Household characteristics	TYPE OF CHILD CARE USED				Total not using child care	All households with children 0–12 years
	Formal only	Informal only	Formal and Informal	Total using care		
Income per week						
Gross household income						
Mean income	\$	2 098	2 057	2 318	2 140	1 854
Median income	\$	1 853	1 642	1 969	1 791	1 580
Equivalised disposable household income						
Mean income	\$	788	804	885	824	692
Median income	\$	691	660	773	692	605
Mean household net worth	\$	511 127	638 038	612 278	605 947	570 805
Child care costs and hours of use						
Mean cost(a)	\$	153	*10	141	76	—
Mean Child Care Benefit (CCB)	\$	39	—	34	17	—
Mean Child Care Rebate (CCR)	\$	23	*1	22	11	*1
Mean usual weekly hours of child care use	hours	25	17	39	25	—
Proportion of households with characteristic						
Main source of household income						
Zero or negative income	%	**0.5	**0.6	**0.4	*0.5	**0.3
Wages and salaries	%	77.2	71.1	81.4	75.2	69.5
Own unincorporated business income	%	*5.7	6.0	4.0	5.4	5.9
Government pensions and allowances	%	14.8	19.4	12.9	16.6	21.2
Other income	%	*1.8	2.9	*1.3	2.2	3.1
Total	%	100.0	100.0	100.0	100.0	100.0
Contribution of government pensions and allowances to gross household income						
Nil or less than 1%	%	31.1	25.3	34.5	29.1	25.6
1% to less than 20%	%	41.1	41.3	36.6	39.9	37.4
20% to less than 50%	%	13.4	14.0	15.9	14.4	15.7
50% to less than 90%	%	5.9	9.6	7.9	8.4	7.7
90% and over	%	8.0	9.2	4.6	7.7	13.4
Total (b)	%	100.0	100.0	100.0	100.0	100.0
Tenure and landlord type						
Owner without a mortgage	%	7.8	10.6	7.4	9.1	10.7
Owner with a mortgage	%	56.7	54.1	61.5	56.7	53.1
Renter						
State/territory housing authority	%	*3.4	3.9	*2.1	3.3	4.5
Private landlord	%	29.0	28.3	26.4	27.9	28.2
Other landlord type	%	*2.3	*1.2	*0.9	*1.4	*1.2
Total renters	%	34.7	33.5	29.4	32.5	33.9
Other tenure type	%	*0.8	1.9	*1.8	1.6	2.2
Total	%	100.0	100.0	100.0	100.0	100.0
Family composition of household						
One family households						
Couple family						
Both employed	%	56.0	47.0	56.1	51.4	39.4
One employed	%	26.9	22.7	17.9	22.1	37.2
Neither employed	%	*4.2	*2.0	*0.9	2.1	6.4
One parent family						
Parent employed	%	*4.0	12.1	13.5	10.9	3.9
Parent not employed	%	5.7	11.6	5.6	8.7	10.2
Other one family household						
Multiple family households	%	*3.2	4.7	6.0	4.8	*2.9
Total	%	100.0	100.0	100.0	100.0	100.0
Estimated number in population						
Households	'000	247.2	658.2	366.0	1 271.3	763.0
Persons	'000	1 024.7	2 620.1	1 477.8	5 122.5	3 229.6
Number of households in sample						
	no.	515	1 421	770	2 706	1 522

* estimate has a relative standard error of 25% to 50% and should be used with caution

** estimate has a relative standard error greater than 50% and is considered too unreliable for general use

— nil or rounded to zero (including null cells)

(a) Includes Child Care Benefit (CCB) and Child Care Rebate (CCR)

(b) Includes households with nil or negative total income

MAIN SOURCE OF GROSS HOUSEHOLD INCOME

PRIVATE INCOME

<i>Household characteristics</i>		<i>Wages and salaries</i>	<i>Own unincorporated business income</i>	<i>Other income</i>	<i>Total</i>	<i>Government pensions and allowances</i>	<i>All households(a)</i>
Income per week							
Gross household income							
Mean income	\$	2 173	1 975	1 524	2 084	556	1 688
Median income	\$	1 859	1 412	971	1 742	511	1 320
Equivalised disposable household income							
Mean income	\$	968	923	998	968	387	848
Median income	\$	852	702	730	832	374	715
Mean household net worth	\$	672 973	1 095 357	1 844 079	836 925	368 588	719 561
Proportion of households with characteristic							
Contribution of government pensions and allowances to gross household income							
Nil or less than 1%	%	63.1	65.9	45.5	61.2	—	45.5
1% to less than 20%	%	26.4	19.5	27.7	26.1	—	19.4
20% to less than 50%	%	10.4	14.7	26.7	12.6	1.2	9.7
50% to less than 90%	%	*0.1	—	**0.2	*0.1	35.7	9.1
90% and over	%	—	—	—	—	63.1	15.9
Total	%	100.0	100.0	100.0	100.0	100.0	100.0
Tenure and landlord type							
Owner without a mortgage	%	19.8	26.2	70.9	26.2	51.3	32.6
Owner with a mortgage	%	49.5	48.4	12.1	45.1	10.1	36.2
Renter							
State/territory housing authority	%	1.0	*1.0	**0.3	1.0	12.6	3.9
Private landlord	%	26.8	21.2	12.9	24.8	20.8	23.7
Other landlord type	%	0.9	**0.3	**0.5	0.8	1.9	1.1
Total renters	%	28.7	22.4	13.8	26.6	35.2	28.7
Other tenure type	%	2.0	*3.0	3.2	2.2	3.4	2.5
Total	%	100.0	100.0	100.0	100.0	100.0	100.0
Family composition of household							
One family households							
Couple family with dependent children	%	35.8	38.1	7.4	32.7	7.3	26.3
One parent family with dependent children	%	4.5	*2.6	3.3	4.3	12.6	6.4
Couple only	%	22.7	27.1	42.5	25.3	28.8	26.2
Other one family households	%	14.4	8.7	7.3	13.2	7.4	11.7
Multiple family households	%	2.2	**0.4	*1.0	1.9	1.0	1.7
Non-family households							
Lone person	%	16.4	19.8	35.0	18.8	41.0	24.5
Group households	%	4.0	*3.2	3.5	3.9	1.9	3.3
Total	%	100.0	100.0	100.0	100.0	100.0	100.0
Average number in household							
Employed persons	no.	1.9	1.7	0.5	1.7	0.2	1.3
Dependent children	no.	0.8	0.8	0.2	0.7	0.5	0.6
Persons							
Under 18 years	no.	0.7	0.8	0.2	0.7	0.5	0.6
18 to 64 years	no.	2.1	1.9	1.0	1.9	0.8	1.6
65 years and over	no.	0.1	0.1	0.8	0.2	0.8	0.3
Total	no.	2.9	2.8	2.0	2.8	2.0	2.6
Estimated number in population							
Households	'000	5 107.4	403.2	728.0	6 238.6	2 119.6	8 398.5
Persons	'000	14 640.9	1 115.7	1 437.5	17 194.1	4 306.3	21 589.4
Number of households in sample							
	no.	8 972	765	1 337	11 074	6 919	18 071

* estimate has a relative standard error of 25% to 50% and should be used with caution

— nil or rounded to zero (including null cells)

(a) Includes households with nil or negative total income

** estimate has a relative standard error greater than 50% and is considered too unreliable for general use

<i>Household characteristics</i>		<i>Nil or less than 1%</i>	<i>1% to less than 20%</i>	<i>20% to less than 50%</i>	<i>50% to less than 90%</i>	<i>90% and over</i>	<i>All households (a)</i>
Income per week							
Gross household income							
Mean income	\$	2 372	1 849	1 178	686	473	1 688
Median income	\$	2 002	1 740	1 096	637	414	1 320
Equivalised disposable household income							
Mean income	\$	1 192	779	572	441	344	848
Median income	\$	1 059	724	561	441	347	715
Mean household net worth	\$	941 278	729 707	549 738	478 986	305 422	719 561
Proportion of households with characteristic							
Main source of household income							
Zero or negative income	%	—	—	—	—	—	0.5
Wages and salaries	%	84.4	82.8	65.6	*0.5	—	60.8
Own unincorporated business income	%	7.0	4.8	7.3	—	—	4.8
Government pensions and allowances	%	—	—	3.2	99.4	100.0	25.2
Other income	%	8.7	12.3	23.9	**0.1	—	8.7
Total	%	100.0	100.0	100.0	100.0	100.0	100.0
Tenure and landlord type							
Owner without a mortgage	%	22.8	27.9	38.6	56.5	48.6	32.6
Owner with a mortgage	%	46.3	50.6	27.7	11.2	9.2	36.2
Renter							
State/territory housing authority	%	0.5	0.9	2.9	5.5	16.8	3.9
Private landlord	%	27.2	17.6	28.2	21.9	19.9	23.7
Other landlord type	%	0.8	0.9	*0.8	*1.2	2.2	1.1
Total renters	%	28.5	19.5	32.0	28.7	38.9	28.7
Other tenure type	%	2.4	2.0	1.7	3.6	3.4	2.5
Total	%	100.0	100.0	100.0	100.0	100.0	100.0
Family composition of household							
One family households							
Couple family with dependent children	%	23.2	56.0	30.0	9.8	5.8	26.3
One parent family with dependent children	%	1.3	7.3	13.2	15.1	10.8	6.4
Couple only	%	32.6	12.2	17.4	32.7	26.7	26.2
Other one family households	%	12.3	11.7	20.1	7.4	7.3	11.7
Multiple family households	%	*0.6	3.5	5.0	*2.1	*0.4	1.7
Non-family households							
Lone person	%	25.3	7.3	11.0	30.9	47.2	24.5
Group households	%	4.7	2.0	3.3	*2.0	1.8	3.3
Total	%	100.0	100.0	100.0	100.0	100.0	100.0
Average number in household							
Employed persons	no.	1.8	1.8	1.1	0.4	0.1	1.3
Dependent children	no.	0.4	1.2	1.0	0.6	0.4	0.6
Persons							
Under 18 years	no.	0.4	1.1	1.0	0.6	0.4	0.6
18 to 64 years	no.	2.0	2.0	1.6	0.8	0.7	1.6
65 years and over	no.	0.1	0.3	0.5	0.9	0.8	0.3
Total	no.	2.4	3.4	3.1	2.3	1.9	2.6
Estimated number in population							
Households	'000	3 818.0	1 630.1	811.3	761.6	1 337.2	8 398.5
Persons	'000	9 097.0	5 613.4	2 543.5	1 740.9	2 505.7	21 589.4
Number of households in sample	no.	6 801	2 932	1 402	2 396	4 462	18 071

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— nil or rounded to zero (including null cells)

(a) Includes households with nil or negative income

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Household characteristics	RENTER								Total
	Owner without a mortgage	Owner with a mortgage	State/territory housing authority	Private landlord	Other landlord type	Total renters	Other tenure type		
Income per week									
Gross household income									
Mean income	\$	1 350	2 238	623	1 518	1 438	1 394	1 485	1 688
Median income	\$	838	1 934	484	1 210	902	1 080	829	1 320
Equivalentised disposable household income									
Mean income	\$	793	957	408	772	812	729	852	848
Median income	\$	622	841	360	652	552	600	636	715
Mean household net worth	\$	1 179 310	769 848	42 199	175 696	197 271	158 406	451 508	719 561
Proportion of households with characteristic									
Main source of household income									
Zero or negative income	%	0.6	*0.5	**0.3	*0.4	**0.1	*0.3	*1.5	0.5
Wages and salaries	%	36.9	83.2	16.1	68.6	50.9	60.8	47.6	60.8
Own unincorporated business income	%	3.9	6.4	*1.3	4.3	**1.2	3.8	*5.7	4.8
Government pensions and allowances	%	39.8	7.0	81.6	22.1	43.7	31.0	34.2	25.2
Other income	%	18.9	2.9	*0.8	4.7	**4.1	4.2	11.0	8.7
Total	%	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Contribution of government pensions and allowances to gross household income									
Nil or less than 1%	%	31.9	58.2	6.4	52.0	32.0	45.1	42.5	45.5
1% to less than 20%	%	16.6	27.1	4.6	14.4	16.8	13.2	15.4	19.4
20% to less than 50%	%	11.5	7.4	7.3	11.5	*7.5	10.8	6.4	9.7
50% to less than 90%	%	15.7	2.8	12.9	8.4	*10.4	9.1	13.1	9.1
90% and over	%	23.8	4.0	68.6	13.3	33.2	21.6	21.2	15.9
Total(a)	%	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Family composition of household									
One family households									
Couple family with dependent children	%	11.9	44.8	9.1	21.8	18.4	20.0	17.6	26.3
One parent family with dependent children	%	2.3	5.0	20.7	11.6	12.2	12.9	*5.5	6.4
Couple only	%	38.0	22.5	10.3	19.2	19.0	18.0	21.3	26.2
Other one family households	%	15.2	10.8	11.0	8.3	*12.1	8.8	10.5	11.7
Multiple family households	%	1.4	2.2	**0.6	1.6	—	1.4	**0.8	1.7
Non-family households									
Lone person	%	30.3	13.4	46.7	27.4	36.5	30.4	41.1	24.5
Group households	%	0.9	1.4	*1.8	10.0	**1.7	8.6	*3.1	3.3
Total	%	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Average number in household									
Employed persons	no.	0.9	1.8	0.3	1.3	0.9	1.2	1.0	1.3
Dependent children	no.	0.3	1.0	0.7	0.7	0.6	0.7	0.5	0.6
Persons									
Under 18 years	no.	0.2	0.9	0.7	0.7	0.6	0.7	0.5	0.6
18 to 64 years	no.	1.2	2.1	1.1	1.8	1.4	1.7	1.3	1.6
65 years and over	no.	0.8	0.1	0.3	0.1	0.2	0.1	0.4	0.3
Total	no.	2.2	3.1	2.2	2.5	2.3	2.5	2.2	2.6
Estimated number in population									
Households	'000	2 734.2	3 040.7	326.8	1 994.1	90.1	2 411.1	212.6	8 398.5
Persons	'000	5 895.0	9 322.7	714.2	4 991.6	208.1	5 913.9	457.8	21 589.4
Number of households in sample	no.	6 558	5 762	1 232	3 763	268	5 263	488	18 071

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— nil or rounded to zero (including null cells)

(a) Includes households with nil or negative total income

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Household characteristics	ONE FAMILY HOUSEHOLDS					NON-FAMILY HOUSEHOLDS			All households
	Couple family with dependent children	One parent family with dependent children	Couple only	Other one family households	Multiple family households	Lone person	Group households		
Income per week									
Gross household income									
Mean income	\$	2 442	1 085	1 591	2 118	2 643	821	2 025	1 688
Median income	\$	2 003	883	1 239	1 780	2 480	528	1 810	1 320
Equivalent disposable household income									
Mean income	\$	870	547	913	938	773	707	982	848
Median income	\$	738	478	761	825	696	522	918	715
Mean household net worth	\$	826 804	276 478	982 905	809 116	715 402	460 526	242 848	719 561
Proportion of households with characteristic									
Main source of household income									
Zero or negative income	%	*0.6	**0.3	*0.4	—	—	0.8	**0.1	0.5
Wages and salaries	%	82.9	43.3	52.8	74.9	78.7	40.7	72.2	60.8
Own unincorporated business income	%	7.0	*2.0	5.0	3.6	**1.2	3.9	*4.7	4.8
Government pensions and allowances	%	7.0	50.0	27.7	16.1	14.8	42.2	14.1	25.2
Other income	%	2.4	4.4	14.1	5.4	*5.3	12.4	9.0	8.7
Total	%	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Contribution of government pensions and allowances to gross household income									
Nil or less than 1%	%	40.1	9.2	56.6	48.1	*16.7	46.9	64.3	45.5
1% to less than 20%	%	41.4	22.1	9.1	19.4	40.3	5.8	11.8	19.4
20% to less than 50%	%	11.0	20.0	6.4	16.7	28.3	4.4	9.6	9.7
50% to less than 90%	%	3.4	21.5	11.3	5.7	*11.2	11.5	*5.5	9.1
90% and over	%	3.5	26.9	16.2	10.0	*3.6	30.7	8.7	15.9
Total(a)	%	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Tenure and landlord type									
Owner without a mortgage	%	14.8	11.7	47.2	42.5	27.5	40.3	8.4	32.6
Owner with a mortgage	%	61.7	28.2	31.0	33.5	47.4	19.8	15.2	36.2
Renter									
State/territory housing authority	%	1.3	12.6	1.5	3.7	**1.4	7.4	*2.1	3.9
Private landlord	%	19.7	43.2	17.4	16.9	22.5	26.6	71.4	23.7
Other landlord type	%	*0.8	2.0	0.8	*1.1	—	1.6	**0.6	1.1
Total renters	%	21.8	57.9	19.7	21.7	23.9	35.6	74.0	28.7
Other tenure type	%	1.7	*2.2	2.1	2.3	**1.2	4.3	*2.4	2.5
Total	%	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Average number in household									
Employed persons	no.	2.0	0.9	1.1	1.9	2.6	0.5	1.8	1.3
Dependent children	no.	1.9	1.8	—	—	1.2	—	—	0.6
Persons									
Under 18 years	no.	1.8	1.7	—	—	1.2	—	—	0.6
18 to 64 years	no.	2.3	1.4	1.3	2.5	3.6	0.6	2.4	1.6
65 years and over	no.	—	—	0.6	0.4	0.5	0.4	0.1	0.3
Total	no.	4.1	3.1	2.0	2.9	5.4	1.0	2.5	2.6
Estimated number in population									
Households	'000	2 206.8	535.2	2 199.9	978.9	142.2	2 055.2	280.2	8 398.5
Persons	'000	9 124.7	1 663.0	4 399.8	2 878.9	763.2	2 055.2	704.4	21 589.4
Number of households in sample	no.	4 005	1 452	5 350	1 516	170	5 146	432	18 071

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(a) Includes households with nil or negative total income

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Household characteristics		Lone person aged under 35	Couple only, reference person under 35	COUPLE WITH DEPENDENT CHILDREN ONLY		
				Eldest child under 5	Eldest child 5 to 14	Eldest child 15 to 24
Income per week						
Gross household income						
Mean income	\$	1 152	2 128	1 953	2 341	2 742
Median income	\$	1 018	2 001	1 774	1 892	2 133
Equivalised disposable household income						
Mean income	\$	938	1 162	822	865	912
Median income	\$	855	1 124	729	720	731
Mean household net worth	\$	151 300	237 221	483 524	747 466	1 205 537
Proportion of households with characteristic						
Main source of household income						
Zero or negative income	%	**0.8	—	*0.9	*0.4	*0.8
Wages and salaries	%	79.1	92.2	85.5	82.0	81.1
Own unincorporated business income	%	4.6	4.7	4.8	8.1	8.0
Government pensions and allowances	%	9.1	*1.0	7.4	7.5	6.7
Other income	%	6.4	*2.1	*1.4	2.1	3.4
Total	%	100.0	100.0	100.0	100.0	100.0
Contribution of government pensions and allowances to gross household income						
Nil or less than 1%	%	86.9	93.6	30.4	37.7	49.8
1% to less than 20%	%	*1.8	3.2	49.0	42.1	35.8
20% to less than 50%	%	*1.5	*2.3	12.4	12.5	7.1
50% to less than 90%	%	*2.7	**0.5	2.9	3.5	3.3
90% and over	%	6.3	*0.4	4.5	3.8	*3.3
Total (b)	%	100.0	100.0	100.0	100.0	100.0
Tenure and landlord type						
Owner without a mortgage	%	*3.5	*1.7	5.9	10.6	23.3
Owner with a mortgage	%	31.6	47.0	57.8	64.1	62.6
Renter						
State/territory housing authority	%	*2.1	**0.5	*0.6	1.7	*1.5
Private landlord	%	55.6	47.5	32.4	20.4	11.0
Other landlord type	%	*1.6	*1.3	*1.8	*0.9	**0.2
Total renters	%	59.3	49.3	34.8	23.0	12.6
Other tenure type	%	5.6	*1.9	*1.6	2.3	*1.5
Total	%	100.0	100.0	100.0	100.0	100.0
Average number in household						
Employed persons	no.	0.9	1.8	1.5	1.6	2.3
Dependent children	no.	—	—	1.4	2.2	2.1
Persons						
Under 18 years	no.	—	—	1.5	2.2	1.7
18 to 64 years	no.	1.0	2.0	2.0	2.0	2.4
65 years and over	no.	—	—	—	—	—
Total	no.	1.0	2.0	3.4	4.2	4.1
Estimated number in population						
Households	'000	330.5	469.1	446.2	846.8	551.7
Persons	'000	330.5	938.1	1 538.9	3 584.8	2 288.4
Number of households in sample						
	no.	600	772	934	1 775	813

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— nil or rounded to zero (including null cells)

(a) The life cycle groups included here are a selection of single person and single family households

(b) Includes households with nil or negative total income

Household characteristics	COUPLE WITH		Couple only, reference person 55 to 64	Couple only, reference person 65 and over	Lone person 65 and over	
	Dependent and non-dependent children only	Non-dependent children only				
Income per week						
Gross household income						
Mean income	\$	2 897	2 478	1 584	919	485
Median income	\$	2 540	2 175	1 225	646	375
Equivalised disposable household income						
Mean income	\$	896	995	925	594	473
Median income	\$	823	886	760	435	375
Mean household net worth	\$	891 544	1 104 196	1 317 112	1 110 540	571 648
Proportion of households with characteristic						
Main source of household income						
Zero or negative income	%	**0.8	—	*0.8	*0.2	—
Wages and salaries	%	84.0	79.2	55.0	7.8	4.0
Own unincorporated business income	%	6.3	5.1	6.8	1.4	1.3
Government pensions and allowances	%	*5.9	10.9	19.8	64.6	76.1
Other income	%	*3.0	4.8	17.6	25.9	18.5
Total	%	100.0	100.0	100.0	100.0	100.0
Contribution of government pensions and allowances to gross household income						
Nil or less than 1%	%	46.7	55.5	62.2	8.9	4.2
1% to less than 20%	%	38.3	20.4	10.8	15.0	11.0
20% to less than 50%	%	*8.4	13.8	6.6	11.5	8.8
50% to less than 90%	%	*4.0	*4.2	7.4	27.1	22.7
90% and over	%	**1.7	6.1	12.2	37.2	53.4
Total (b)	%	100.0	100.0	100.0	100.0	100.0
Tenure and landlord type						
Owner without a mortgage	%	22.8	50.4	57.4	84.0	71.8
Owner with a mortgage	%	61.3	40.7	32.6	7.3	4.1
Renter						
State/territory housing authority	%	**1.4	*1.5	1.7	2.0	8.3
Private landlord	%	13.5	4.9	6.2	3.9	9.3
Other landlord type	%	**0.1	*1.2	*0.4	*0.6	1.7
Total renters	%	15.0	7.5	8.4	6.4	19.3
Other tenure type	%	**0.9	*1.4	1.6	2.2	4.8
Total	%	100.0	100.0	100.0	100.0	100.0
Average number in household						
Employed persons	no.	3.0	2.2	1.1	0.3	0.1
Dependent children	no.	1.4	—	—	—	—
Persons						
Under 18 years	no.	1.2	—	—	—	—
18 to 64 years	no.	3.5	2.9	1.9	0.2	—
65 years and over	no.	—	0.4	0.1	1.8	1.0
Total	no.	4.7	3.3	2.0	2.0	1.0
Estimated number in population						
Households	'000	283.3	473.3	542.4	741.6	742.0
Persons	'000	1 317.5	1 562.9	1 084.8	1 483.2	742.0
Number of households in sample	no.	387	638	1 354	2 299	2 267

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— nil or rounded to zero (including null cells)

(a) The life cycle groups included here are a selection of single person and single family households

(b) Includes households with nil or negative total income

Household characteristics		15-24	25-34	35-44	45-54	55-64	65 and over	All households
Income per week								
Gross household income								
Mean income	\$	1 448	1 877	1 995	2 174	1 660	835	1 688
Median income	\$	1 245	1 703	1 684	1 789	1 220	572	1 320
Equivalent disposable household income								
Mean income	\$	778	895	837	943	920	598	848
Median income	\$	736	816	702	815	764	461	715
Mean household net worth	\$	83 051	261 819	565 954	931 582	1 051 556	872 052	719 561
Proportion of household with characteristic								
Main source of household income								
Zero or negative income	%	—	*0.3	*0.6	*0.8	0.7	*0.1	0.5
Wages and salaries	%	70.4	81.8	76.5	78.6	57.8	12.4	60.8
Own unincorporated business income	%	*3.5	4.3	6.9	5.5	6.5	1.4	4.8
Government pensions and allowances	%	15.5	11.0	13.6	10.8	22.7	65.7	25.2
Other income	%	10.6	2.5	2.5	4.3	12.4	20.3	8.7
Total	%	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Contribution of government pensions and allowances to gross household income								
Nil or less than 1%	%	65.2	63.4	47.2	57.0	55.2	6.6	45.5
1% to less than 20%	%	9.7	17.8	28.3	23.8	13.4	14.5	19.4
20% to less than 50%	%	9.9	7.6	10.8	7.8	8.0	13.3	9.7
50% to less than 90%	%	6.5	4.6	5.5	3.7	6.8	23.5	9.1
90% and over	%	8.6	6.3	7.6	6.9	15.7	41.9	15.9
Total (a)	%	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Tenure and landlord type								
Owner without a mortgage	%	**0.6	3.3	9.3	23.9	50.3	78.1	32.6
Owner with a mortgage	%	16.2	41.3	54.4	52.3	31.4	6.5	36.2
Renter								
State/territory housing authority	%	4.1	2.3	3.7	4.2	4.2	4.8	3.9
Private landlord	%	71.3	49.1	29.7	16.5	11.1	6.3	23.7
Other landlord type	%	*1.5	1.6	1.1	1.0	*0.7	0.9	1.1
Total renters	%	76.9	53.0	34.5	21.7	16.0	12.1	28.7
Other tenure type	%	*6.2	2.3	1.8	2.1	2.3	3.3	2.5
Total	%	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Family composition of household								
One family households								
Couple family with dependent children	%	9.3	29.1	54.1	38.7	10.7	*0.9	26.3
One parent family with dependent children	%	7.8	8.4	11.9	8.5	1.9	*0.7	6.4
Couple only	%	23.4	28.0	11.1	14.9	37.1	42.0	26.2
Other one family households	%	14.0	6.0	4.4	16.4	18.7	12.3	11.7
Multiple family households	%	*1.6	*1.1	1.8	2.5	1.9	*1.1	1.7
Non-family households								
Lone person	%	22.2	18.4	14.8	17.9	28.7	42.0	24.5
Group households	%	21.7	9.0	1.8	1.0	*1.1	1.0	3.3
Total	%	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Average number in households								
Employed persons	no.	1.5	1.5	1.5	1.9	1.3	0.3	1.3
Dependent children	no.	0.3	0.7	1.4	0.8	0.2	—	0.6
Persons								
Under 18 years	no.	0.3	0.7	1.4	0.7	0.1	—	0.6
18 to 64 years	no.	2.1	1.9	1.9	2.2	2.0	0.3	1.6
65 years and over	no.	—	—	—	—	0.1	1.4	0.3
Total	no.	2.4	2.6	3.3	3.0	2.2	1.7	2.6
Estimated number in population								
Households	'000	332.6	1 399.1	1 728.0	1 707.8	1 463.6	1 767.5	8 398.5
Persons	'000	784.3	3 650.4	5 772.8	5 108.7	3 201.6	3 071.7	21 589.4
Number of households in sample	no.	675	2 549	3 250	3 376	3 156	5 065	18 071

* estimate has a relative standard error of 25% to 50% and should be used with caution

— nil or rounded to zero (including null cells)

(a) Includes households with nil or negative total income

** estimate has a relative standard error greater than 50% and is considered too unreliable for general use

Household characteristics		NSW	Vic.	Qld	SA	WA	Tas.	NT	ACT(a)	Aust.
Income per week										
Gross household income										
Mean income	\$	1 887	1 782	1 832	1 586	1 935	1 385	1 964	2 325	1 832
Median income	\$	1 491	1 422	1 533	1 259	1 468	1 120	1 838	2 008	1 458
Equivalent household income										
Mean income	\$	909	860	893	837	979	755	943	1 101	898
Median income	\$	779	732	783	726	780	668	895	1 009	765
Mean household net worth	\$	766 745	866 024	665 812	572 435	853 397	604 986	629 589	843 369	771 834
Proportion of households with characteristic										
Main source of household income										
Zero or negative income	%	*0.7	**0.1	*0.4	*0.3	*0.5	—	**0.3	**0.3	0.4
Wages and salaries	%	64.3	65.7	65.9	60.0	63.6	54.9	72.7	75.2	64.7
Own unincorporated business income	%	4.6	4.0	5.6	4.8	6.2	5.8	*4.8	*1.8	4.7
Government pensions and allowances	%	20.4	21.7	20.9	27.7	20.8	29.7	15.7	10.3	21.4
Other income	%	10.0	8.5	7.2	7.2	8.8	9.6	*6.5	12.4	8.8
Total	%	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Contribution of government pensions and allowances to gross household income										
Nil or less than 1%	%	50.9	48.9	49.2	45.0	51.7	39.4	59.1	60.9	49.8
1% to less than 20%	%	18.0	20.7	21.1	18.3	18.3	19.5	18.1	22.0	19.4
20% to less than 50%	%	10.2	8.9	8.9	9.0	8.8	11.5	7.2	6.7	9.3
50% to less than 90%	%	6.7	8.8	7.7	9.0	6.2	11.0	*4.6	3.3	7.6
90% and over	%	13.5	12.6	12.8	18.3	14.4	18.5	*10.7	6.7	13.6
Total (b)	%	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Tenure and landlord type										
Owner without a mortgage	%	32.2	35.4	25.3	31.9	26.6	33.4	19.0	29.1	31.3
Owner with a mortgage	%	35.4	36.3	39.5	38.6	43.4	37.3	37.6	40.9	37.7
Renter										
State/territory housing authority	%	4.0	1.5	4.5	6.0	4.0	5.2	*8.2	6.4	3.7
Private landlord	%	25.6	24.2	28.4	20.6	22.9	20.8	29.6	21.3	24.7
Other landlord type	%	*1.3	*0.3	*0.8	*0.9	*0.6	*1.5	*3.8	*1.0	0.8
Total renters	%	30.9	26.0	33.8	27.5	27.5	27.5	41.6	28.7	29.2
Other tenure type	%	1.6	2.3	*1.4	*2.0	2.5	*1.8	*1.8	*1.3	1.9
Total	%	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Family composition of household										
One family households										
Couple family with dependent children	%	27.6	28.2	27.1	24.4	25.5	23.7	28.8	29.0	27.1
One parent family with dependent children	%	5.7	6.1	5.1	6.8	6.7	8.1	5.2	6.3	6.0
Couple only	%	22.1	24.0	27.6	27.0	26.3	27.2	25.2	23.9	24.5
Other one family households	%	14.4	12.7	12.9	10.9	11.1	8.2	12.3	13.7	12.8
Multiple family households										
Non-family households	%	2.4	*1.6	*2.1	*0.6	*1.5	**0.7	*2.6	*1.5	1.8
Lone person	%	23.9	22.9	20.2	27.9	25.9	29.7	19.9	22.2	23.7
Group households	%	4.0	4.5	5.0	2.2	3.0	*2.5	6.1	3.3	4.0
Total	%	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Average number in household										
Employed persons	no.	1.4	1.4	1.5	1.3	1.3	1.2	1.5	1.5	1.4
Dependent children	no.	0.7	0.7	0.6	0.6	0.6	0.6	0.7	0.7	0.6
Persons										
Under 18 years	no.	0.6	0.6	0.6	0.5	0.6	0.5	0.7	0.6	0.6
18 to 64 years	no.	1.8	1.7	1.8	1.6	1.6	1.5	1.8	1.8	1.7
65 years and over	no.	0.3	0.3	0.3	0.3	0.3	0.3	0.2	0.3	0.3
Total	no.	2.7	2.7	2.6	2.4	2.5	2.4	2.7	2.6	2.6
Estimated number in population										
Households	'000	1 678.1	1 502.4	738.5	481.1	659.3	88.3	50.9	131.9	5 330.3
Persons	'000	4 467.1	3 984.5	1 951.0	1 173.4	1 651.3	208.8	135.4	346.9	13 918.4
Number of households in sample	no.	2 245	2 027	1 588	1 686	1 532	779	505	962	11 324

* estimate has a relative standard error of 25% to 50% and should be used with caution

** estimate has a relative standard error greater than 50% and is considered too unreliable for general use

— nil or rounded to zero (including null cells)

(a) All of the ACT is defined as a capital city for this publication

(b) Includes households with nil or negative total income

<i>Household characteristics</i>		NSW	Vic.	Qld	SA	WA	Tas.	Aust. (a)
Income per week								
Gross household income								
Mean income	\$	1 473	1 272	1 468	1 233	1 850	1 245	1 437
Median income	\$	1 092	964	1 178	939	1 456	943	1 094
Equivalentised disposable household income								
Mean income	\$	775	701	756	685	925	673	757
Median income	\$	652	610	670	605	743	593	650
Mean household net worth	\$	647 248	560 831	640 511	620 542	721 530	572 017	628 748
Proportion of households with characteristic								
Main source of household income								
Zero or negative income	%	*0.7	*1.0	**0.3	*0.5	*0.9	*0.5	0.6
Wages and salaries	%	52.1	53.8	55.8	48.3	63.0	51.2	54.1
Own unincorporated business income	%	3.8	3.8	6.0	6.8	6.7	4.9	4.9
Government pensions and allowances	%	34.5	32.9	29.1	37.2	23.0	35.5	31.9
Other income	%	9.0	8.4	8.8	7.2	6.4	7.9	8.4
Total	%	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Contribution of government pensions and allowances to gross household income								
Nil or less than 1%	%	36.4	35.9	39.8	33.4	47.3	34.5	37.9
1% to less than 20%	%	18.0	18.8	21.3	19.4	20.7	18.0	19.5
20% to less than 50%	%	10.6	11.9	9.6	9.6	8.5	11.6	10.4
50% to less than 90%	%	12.2	12.0	11.6	11.7	8.2	12.3	11.7
90% and over	%	22.1	20.4	17.4	25.4	14.4	23.1	20.0
Total(b)	%	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Tenure landlord type								
Owner without a mortgage	%	37.1	37.2	31.2	38.2	28.8	38.7	34.8
Owner with a mortgage	%	31.9	34.4	34.8	32.7	34.0	35.8	33.6
Renter								
State/territory housing authority	%	3.7	5.0	3.1	7.6	7.1	5.8	4.3
Private landlord	%	22.5	19.6	25.9	16.5	19.8	14.8	22.1
Other landlord type	%	*1.1	*0.7	*1.6	*1.0	**4.8	2.5	1.5
Total renters	%	27.3	25.3	30.5	25.1	31.7	23.1	27.9
Other tenure type	%	3.7	3.1	3.5	4.0	5.5	2.4	3.6
Total	%	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Family composition of household								
One family households								
Couple family with dependent children	%	24.4	22.6	26.3	21.7	28.7	25.1	24.8
One parent family with dependent children	%	7.4	7.4	7.0	6.8	4.9	5.8	7.0
Couple only	%	28.2	29.2	28.9	32.8	30.0	30.1	29.1
Other one family households	%	10.3	9.1	9.3	10.6	9.2	8.8	9.6
Multiple family households	%	**1.5	*1.0	1.8	*0.9	*2.0	*1.1	1.5
Non-family household								
Lone person	%	25.7	28.9	24.3	25.9	23.9	27.1	25.8
Group households	%	2.5	1.7	2.4	*1.4	1.4	2.0	2.2
Total	%	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Average number in household								
Employed persons	no.	1.1	1.2	1.3	1.1	1.3	1.1	1.2
Dependent children	no.	0.6	0.6	0.7	0.6	0.7	0.6	0.6
Persons								
Under 18 years	no.	0.6	0.6	0.7	0.6	0.7	0.6	0.6
18 to 64 years	no.	1.5	1.4	1.5	1.4	1.6	1.5	1.5
65 years and over	no.	0.4	0.4	0.3	0.4	0.3	0.4	0.4
Total	no.	2.5	2.4	2.6	2.4	2.6	2.5	2.5
Estimated number in population								
Households	'000	1 030.6	596.7	932.2	173.7	204.8	115.8	3 068.2
Persons	'000	2 585.3	1 430.1	2 389.3	417.3	528.2	285.4	7 671.0
Number of households in the sample								
	no.	1 069	1 079	1 115	1 114	1 212	1 085	6 747

* estimate has a relative standard error of 25% to 50% and should be used with caution

** estimate has a relative standard error greater than 50% and is considered too unreliable for general use

(a) Includes NT and ACT households. Separate ACT estimates are not available. NT estimates are shown separately since estimates for the NT other than Darwin are not considered reliable. See paragraph 43 in explanatory notes

(b) Includes households with nil or negative total income

Household characteristics		NSW	Vic.	Qld	SA	WA	Tas.	NT(a)	ACT(b)	Aust.
Income per week										
Gross household income										
Mean income	\$	1 729	1 637	1 629	1 492	1 915	1 305	1 924	2 325	1 688
Median income	\$	1 319	1 300	1 326	1 158	1 466	1 026	1 759	2 008	1 320
Equivalent disposable household income										
Mean income	\$	859	818	817	798	966	708	938	1 101	848
Median income	\$	718	695	705	685	770	613	885	1 009	715
Mean household net worth	\$	721 278	779 266	651 694	585 197	822 149	586 276	621 642	843 369	719 561
Proportion of households with characteristic										
Main source of household income										
Zero or negative income	%	0.7	*0.3	*0.3	*0.4	*0.6	*0.3	**0.3	**0.3	0.5
Wages and salaries	%	59.7	62.3	60.2	56.9	63.5	52.8	73.7	75.2	60.8
Own unincorporated business income	%	4.3	4.0	5.9	5.3	6.3	5.3	4.9	*1.8	4.8
Government pensions and allowances	%	25.8	24.9	25.5	30.2	21.3	33.0	15.6	10.3	25.2
Other income	%	9.6	8.5	8.1	7.2	8.2	8.6	5.5	12.4	8.7
Total	%	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Contribution of government pensions and allowances to gross household income										
Nil or less than 1%	%	45.4	45.2	43.9	42.0	50.7	36.6	57.5	60.9	45.5
1% to less than 20%	%	18.0	20.2	21.2	18.6	18.9	18.6	19.6	22.0	19.4
20% to less than 50%	%	10.3	9.7	9.3	9.1	8.7	11.6	7.3	6.7	9.7
50% to less than 90%	%	8.8	9.7	9.9	9.7	6.7	11.7	*4.5	3.3	9.1
90% and over	%	16.7	14.8	15.4	20.2	14.4	21.1	10.8	6.7	15.9
Total(c)	%	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Tenure and landlord type										
Owner without a mortgage	%	34.1	36.0	28.6	33.6	27.1	36.4	18.4	29.1	32.6
Owner with a mortgage	%	34.1	35.7	36.9	37.0	41.1	36.5	38.4	40.9	36.2
Renter										
State/territory housing authority	%	3.9	2.5	3.7	6.4	4.7	5.6	*7.8	6.4	3.9
Private landlord	%	24.4	22.9	27.0	19.6	22.1	17.4	28.1	21.3	23.7
Other landlord type	%	1.2	*0.4	*1.2	0.9	*1.6	2.1	*3.6	*1.0	1.1
Total renters	%	29.5	25.8	31.9	26.9	28.5	25.0	39.5	28.7	28.7
Other tenure type	%	2.4	2.5	2.6	2.5	3.2	2.1	*3.6	*1.3	2.5
Total	%	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Family composition of household										
One family households										
Couple family with dependent children	%	26.4	26.6	26.7	23.7	26.3	24.5	27.5	29.0	26.3
One parent family with dependent children	%	6.3	6.5	6.1	6.8	6.3	6.8	7.5	6.3	6.4
Couple only	%	24.4	25.5	28.3	28.6	27.2	28.8	27.2	23.9	26.2
Other one family households	%	12.8	11.7	10.9	10.8	10.6	8.5	11.0	13.7	11.7
Multiple family households										
Non-family households	%	2.1	1.4	1.9	*0.7	1.6	*0.9	*2.0	*1.5	1.7
Lone person	%	24.6	24.6	22.5	27.4	25.4	28.2	18.6	22.2	24.5
Group households	%	3.5	3.7	3.6	2.0	2.6	2.2	6.3	3.3	3.3
Total	%	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Average number in household										
Employed persons	no.	1.3	1.3	1.3	1.2	1.3	1.1	1.5	1.5	1.3
Dependent children	no.	0.7	0.7	0.7	0.6	0.6	0.6	0.7	0.7	0.6
Persons										
Under 18 years	no.	0.6	0.6	0.6	0.5	0.6	0.6	0.7	0.6	0.6
18 to 64 years	no.	1.7	1.7	1.7	1.5	1.6	1.5	1.8	1.8	1.6
65 years and over	no.	0.3	0.3	0.3	0.4	0.3	0.4	0.2	0.3	0.3
Total	no.	2.6	2.6	2.6	2.4	2.5	2.4	2.6	2.6	2.6
Estimated number in population										
Households	'000	2 708.8	2 099.1	1 670.7	654.7	864.0	204.1	65.3	131.9	8 398.5
Persons	'000	7 052.4	5 414.6	4 340.3	1 590.7	2 179.5	494.2	170.8	346.9	21 589.4
Number of households in sample	no.	3 314	3 106	2 703	2 800	2 744	1 864	578	962	18 071

* estimate has a relative standard error of 25% to 50% and should be used with caution

** estimate has a relative standard error greater than 50% and is considered too unreliable for general use

(a) Households in collection districts defined as very remote were excluded, accounting for about 23% of the population in the NT

(b) As the balance of state is not available for the ACT, estimates for the ACT are the same as those for Canberra (see Table 15)

(c) Includes households with nil or negative total income

	Mean equivalised disposable household income (per week) \$	Mean reported rent paid (per week) \$	Mean gross imputed rent (per week) \$	Mean net imputed rent (per week) \$	Mean equivalised adjusted disposable household income (per week) (b) \$	Number of households '000	Average number of persons in households no.	Number of households in sample no.
2005-06 (c)								
Owner without a mortgage	707	*1	265	193	826	2 718.1	2.2	3 452
Owner with a mortgage	824	—	275	**6	826	2 772.0	3.1	3 512
Renter								
From state /territory housing authorities	403	113	205	92	457	368.8	2.3	525
Other subsidised renter(d)	608	168	231	69	649	206.0	2.3	286
Market renter(e)	694	246	—	*3	697	1 686.1	2.3	1 966
Occupied rent-free	668	—	232	219	806	144.2	2.1	176
Rent buy/life tenure scheme	463	*46	209	104	527	30.9	1.8	44
All households	738	62	208	79	780	7 926.2	2.5	9 961
2007-08 (c)								
Owner without a mortgage	852	*1	296	221	987	2 679.2	2.2	3 117
Owner with a mortgage	951	—	304	**2	951	2 835.2	3.1	3 267
Renter								
From state/territory housing authorities	*399	108	207	100	460	365.1	2.1	508
Other subsidised renter(d)	722	176	269	98	780	239.5	2.3	311
Market renter(e)	798	278	—	4	801	1 795.3	2.5	1 953
Occupied rent-free	698	—	255	241	853	133.3	2.0	148
Rent buy/life tenure scheme	511	**22	217	144	617	*29.7	1.4	41
All households	859	72	227	87	905	8 077.3	2.6	9 345
2009-10								
Owner without a mortgage	793	—	333	251	948	2 734.2	2.2	6 558
Owner with a mortgage	957	—	341	31	973	3 040.7	3.1	5 762
Renter								
From state/territory housing authorities	408	117	230	113	477	326.8	2.2	1 232
Other subsidised renter(d)	773	178	290	115	843	238.6	2.3	616
Market renter(e)	773	306	—	4	775	1 845.6	2.5	3 415
Occupied rent-free	875	—	289	276	1 040	168.7	2.3	362
Rent buy/life tenure scheme	727	*17	255	198	871	43.9	1.6	126
All households	848	77	256	108	905	8 398.5	2.6	18 071

* estimate has a relative standard error of 25% to 50% and should be used with caution

** estimate has a relative standard error greater than 50% and is considered too unreliable for general use

— nil or rounded to zero (including null cells)

(a) The mean income are calculated with respect to the relevant number of persons (i.e. they are person weighted), while the mean rents are calculated with respect to the number of households (household weighted). For more information on person and household weighted measures see Appendix 1

(b) Adjusted to include imputed rent

(c) In 2009-10 dollars, adjusted using changes in the Consumer Price Index

(d) Includes households renting from: a parent or other relative not living in the same household; an employer; a housing cooperative or community /church group

(e) Includes households renting from: a real estate agent; an unrelated person not living in the same household; or an owner/manager of a caravan park

<i>Indicator</i>		<i>Equivalised disposable household income</i>	<i>Equivalised adjusted disposable household income(a)</i>
Mean income per week			
Lowest quintile	\$	314	371
Second quintile	\$	524	584
Third quintile	\$	721	773
Fourth quintile	\$	975	1 023
Highest quintile	\$	1 704	1 772
All persons	\$	848	905
Second and third deciles	\$	429	496
Median income per week	\$	715	771
Income per week at top of selected percentiles			
10th (P10)	\$	344	400
20th (P20)	\$	425	499
30th (P30)	\$	525	584
40th (P40)	\$	619	670
50th (P50)	\$	715	771
60th (P60)	\$	832	884
70th (P70)	\$	971	1 013
80th (P80)	\$	1 145	1 195
90th (P90)	\$	1 448	1 503
Income share			
Lowest quintile	%	7.4	8.2
Second quintile	%	12.4	12.9
Third quintile	%	17.0	17.1
Fourth quintile	%	23.0	22.6
Highest quintile	%	40.2	39.2
All persons	%	100.0	100.0
Second and third deciles	%	10.1	11.0
Ratio of income at top of selected income percentiles			
P90/P10	ratio	4.21	3.76
P80/P20	ratio	2.70	2.40
P80/P50	ratio	1.60	1.55
P20/P50	ratio	0.59	0.65
Gini coefficient	no.	0.328	0.309

(a) Adjusted to include imputed rent

EXPLANATORY NOTES

INTRODUCTION

1 This publication presents a summary of the findings from the 2009–10 Survey of Income and Housing (SIH). The survey collected detailed information about the income and household characteristics of persons aged 15 years and over resident in private dwellings throughout Australia.

2 The *Household Expenditure Survey and Survey of Income and Housing, User Guide, Australia, 2009–10* (cat. no. 6503.0), expected to be released in September 2011, will assist users in evaluating and interpreting results from this survey.

3 The SIH was conducted continuously from 1994–95 to 1997–98, and then in 1999–2000, 2000–01, 2002–03, 2003–04, 2005–06, 2007–08 and 2009–10. The 2009–10 SIH collected information from a sample of 18,071 households over the period July 2009 to June 2010. The SIH is now conducted every two years.

4 Previous surveys of household income were conducted by the Australian Bureau of Statistics (ABS) in 1979, 1982, 1986 and 1990. These surveys were generally conducted over a two-month period, compared to a twelve-month period for the SIH. The SIH also included improvements to the survey weighting and estimation procedures, changes to the scope and coverage of household income and changes to interviewing methods.

5 The 2009–10 SIH was integrated with the Household Expenditure Survey (HES), as it was in 2003–04. The 2007–08 SIH was run as a stand alone survey, as it was in 2005–06 and will be again in 2011–12.

CHANGES IN THIS ISSUE

6 Key changes to the 2009–10 SIH include:

- an increase in sample size from 9,345 households in 2007–08 to 18,071 households in 2009–10 due to a 10,800 base sample, an expansion in the SIH sample for an extra 4,200 households, located outside capital cities as well as an additional sample of metropolitan households whose main source of income was a government pension, benefit and/or allowance
- the inclusion of a benchmark for the value of government benefit cash transfers to ensure that the survey estimate of government benefit cash transfers is maintained at a proportion of aggregate benefit cash transfers that is consistent with previous SIH cycles (this benchmark was last used in the 2000–01 SIH)
- housing data on dwelling condition, characteristics, mobility, finance and rental arrangements collected in 2007–08 were not collected in 2009–10
- wealth data items on assets and liabilities were collected in 2009–10 (last collected in the 2005–06 SIH)
- disability questions for persons aged 15 years and over were asked in the 2009–10 SIH
- an expanded range of detailed tables are included as an Excel datacube on the website, including additional estimates of average weekly equivalised disposable household income and gross household income for populations featured in this publication
- a comparison between the SIH income estimates and the Australian System of National Accounts is included in this publication, see appendix 5.

Changes to the survey sample

7 The May 2009 Budget funded an expansion in the SIH sample for an extra 4,200 households, located outside capital cities. This expansion was to better support Council of Australian Governments (COAG) performance indicator reporting, particularly in regard to housing affordability and home ownership measures required under COAG intergovernmental agreements.

8 For the 2009–10 SIH and HES there was an additional sample of metropolitan households whose main source of income was a government pension, benefit and/or allowance. These pensioner households were enumerated using a separate sample design, but the fully responding in-scope households from this sample were included in

EXPLANATORY NOTES *continued*

Changes to the survey sample continued

the final SIH and HES sample. The main purpose of the inclusion of this additional sample was for the development of a Pensioner and Beneficiary Living Cost Index (PBLCI), which is part of the revised process for indexing age and other pensions. The pensioner sample supports improved commodity weighting for the PBLCI to better reflect the different expenditure patterns of pensioner households compared with the general population.

Income measures

9 In 2007–08 the ABS revised its standards for household income statistics following the adoption of new international standards in 2004 and review of aspects of the collection and dissemination of income data. The 2007–08 and 2009–10 income estimates apply the new income standards.

10 To the extent possible, the estimates for 2003–04 and 2005–06 shown in the time series tables in this publication also reflect the new treatments.

11 For more detail on the nature and impact of the changes on the income data see Appendix 4 of *Household Income and Distribution, Australia, 2007–08* (cat. no. 6523.0)

Other changes

12 Errors in processing the 2007–08 income estimates have been corrected, resulting in an average increase of \$3 for mean equivalised disposable household income across all households. This was reflected largely in a 1.3% increase in the mean equivalised disposable household income of households in the highest quintile. The income estimates for 2007–08 shown in this publication have been revised.

CONCEPTS AND DEFINITIONS

13 The concepts and definitions relating to statistics of income are described in the following section. Other definitions are included in the glossary.

Person and household data

14 A major determinant of economic wellbeing for most people is the level of income they and other family members in the same household receive.

15 While income is usually received by individuals, it is normally shared between partners in a couple relationship and with dependent children. To a lesser extent, it may be shared with other children, other relatives and possibly other people living in the same household, for example through the provision of free or reduced accommodation costs. This is particularly likely to be the case for children other than dependants and other relatives with low levels of income of their own. Even when there is no transfer of income between members of a household, nor provision of free or reduced accommodation costs, members are still likely to benefit from the economies of scale that arise from the sharing of dwellings.

16 Household characteristics, including household income, are therefore the main information required for analysing income distribution. However, it is the number of people who belong to households with particular characteristics, rather than the number of households with those characteristics, that is of primary interest in measuring income distribution and leads to the preference for the equal representation of those persons in such analysis. For example, if the person is used as the unit of analysis rather than the household, then the representation in the income distribution of each person in a household comprising four persons is the same as that for each person in a household comprising two persons. In contrast, if the household were to be used as the unit of analysis, each person in the four person household would only have half the representation of each person in the two person household.

17 In this publication, the income distribution measures are all calculated with respect to persons, including children. Such measures are sometimes known as person weighted estimates. They are described in more detail in Appendix 1. Nevertheless, as most of the relevant characteristics of persons relate to their household circumstances, Tables 6 to 17 primarily describe the households to which people belong.

EXPLANATORY NOTES *continued*

Income

18 Household income consists of all current receipts, whether monetary or in kind, that are received by the household or by individual members of the household, and which are available for, or intended to support, current consumption.

19 Income includes receipts from:

- wages and salaries and other receipts from employment (whether from an employer or own incorporated enterprise), including income provided as part of salary sacrifice and/or salary package arrangements
- profit/loss from own unincorporated business (including partnerships)
- net investment income (interest, rent, dividends, royalties)
- government pensions and allowances
- private transfers (e.g. superannuation, workers' compensation, income from annuities, child support, and financial support received from family members not living in the same household).

20 Receipts of family tax benefit are treated as income, regardless of whether they are received fortnightly or as a lump sum. The aged persons' savings bonus and self-funded retirees' supplementary bonus, paid as part of the introduction of The New Tax System in 2000–01 are regarded as capital transfers as they were designed to help retired people maintain the value of their savings and investments following the introduction of the GST. However, the one-off payment to older Australians paid in 2000–01, 2005–06 and 2007–08, the one-off payment to families paid since 2003–04, and the one-off payments to carers paid since 2003–04, are included as income as they were primarily a supplement to existing income support payments. The maternity payment introduced in July 2004, now referred to as the Baby Bonus, is also included as income.

21 The one-off stimulus payments paid in 2008–09 and 2009–10 based on 2007–08 taxable income are also included as income. These stimulus payments include the one off payments from the Family Assistance Office of the single income family bonus, back to school bonus and the additional FTB Part A payment of \$1,000 per child. These also include the stimulus payments from the Australian Taxation Office which were one-off income based payments of \$250, \$600 or \$900 and the Centrelink assistance payments to health care card holders, carers, farmer hardship payment and the training and learning bonus.

Gross income

22 Gross income is the sum of the income from all sources before income tax and the Medicare levy have been deducted. Prior to 2005–06 family tax benefit paid through the tax system or as a lump sum was excluded from gross income for practical reasons but deducted in deriving disposable income. Since 2005–06 these payments have been included in gross income.

Disposable income

23 Disposable income better represents the economic resources available to meet the needs of households. It is derived by deducting estimates of personal income tax and the Medicare levy from gross income. Medicare levy surcharge was also calculated and deducted from gross income while calculating disposable income (as it was for the first time in 2007–08).

24 Income tax is estimated for all households using taxation criteria for 2009–10 and the income and other characteristics of household members reported in the survey.

25 Prior to 2005–06 the derivation of disposable income also included the addition of family tax benefit paid through the tax system or as a lump sum by Centrelink since for practical reasons it was not included in the gross income estimates.

Equivalised disposable income

26 Most analyses in this publication use equivalised disposable household income rather than gross or disposable income since it enables comparison of the relative economic wellbeing of households of different size and composition. Equivalised disposable household income is calculated by adjusting disposable income by the

EXPLANATORY NOTES *continued*

Equivalised disposable income continued

application of an equivalence scale. This adjustment reflects the requirement for a larger household to have a higher level of income to achieve the same standard of living as a smaller household. Where disposable income is negative, it is set to zero equivalised disposable income.

27 When household income is adjusted according to an equivalence scale, the equivalised income can be viewed as an indicator of the economic resources available to a standardised household. For a lone person household, it is equal to income received. For a household comprising more than one person, equivalised income is an indicator of the household income that would be required by a lone person household in order to enjoy the same level of economic wellbeing as the household in question.

28 For more information on equivalised income see Appendix 3.

Lowest income decile

29 While equivalised income generally provides a useful indicator of economic wellbeing, there are some circumstances which present particular difficulties. Some households report extremely low and even negative income in the survey, which places them well below the safety net of income support provided by government pensions and allowances. Households may under report their incomes in the survey at all income levels, including low income households. However, households can correctly report low levels of income if they incur losses in their unincorporated business or have negative returns from their other investments.

30 Studies of income and expenditure reported in HES surveys have shown that such households in the bottom income decile and with negative gross incomes tend to have expenditure levels that are comparable to those of households with higher income levels (and slightly above the average expenditures recorded for the fifth income decile). This suggests that these households have access to economic resources such as wealth, or that the instance of low or negative income is temporary, perhaps reflecting business or investment start up. Other households in the lowest income decile in past surveys had average incomes at about the level of the single pension rate, were predominantly single person households, and their main source of income was largely government pensions and allowances. However, on average, these households also had expenditures above the average of the households in the second income decile, which is not inconsistent with the use of assets to maintain a higher standard of living than implied by their incomes alone.

31 It can therefore be reasonably concluded that many of the households included in the lowest income decile are unlikely to be suffering extremely low levels of economic wellbeing. Income distribution analysis may lead to inappropriate conclusions if such households are used as the basis for assessing low levels of economic wellbeing. For this reason, tables showing statistics classified by income quintiles include a supplementary category comprising the second and third income deciles, which can be used as an alternative to the lowest income quintile. (For an explanation of quintiles and deciles, see Appendix 1.)

32 Whenever a HES is conducted, analysis of households in the lowest income decile can be improved through direct observation of the expenditure and net worth of these households. An examination of households with low economic resources (income and wealth) is expected to be included as a feature article in *Household Wealth and Wealth Distribution, Australia, 2009–10* (cat. no. 6554.0) to be released in October 2011.

Current income

33 Income is collected using a number of different reporting periods, such as the whole financial year for own unincorporated business and investment income, and the usual payment for a period close to the time of interview for wages and salaries, other sources of private income and government pensions and allowances. The income reported is divided by the number of weeks in the reporting period. Estimates of weekly

EXPLANATORY NOTES *continued*

- Current income continued* income in this publication do not therefore refer to a given week within the reference period of the survey.
- Annual income* **34** The tables in the main body of this publication refer to 'current' weekly income, that is, income being received at the time the data were collected from respondents. The survey also produces measures of 'annual' income that reflect total incomes for the previous financial year. Appendix 2 explains how current income differs from annual income, notes some of the advantages and disadvantages of the two types of measure and presents some 'annual' income estimates.
- Imputed rent* **35** In May 2008 the ABS released household level estimates of imputed rent, derived from data reported in the 2003–04 and 2005–06 SIH for the first time (*Experimental Estimates of Imputed Rent, Australia, 2003–04 and 2005–06* (cat. no. 6525.0)). The availability of imputed rent estimates allows the analysis of household income to be extended to include the imputed rental incomes that flow to people living in homes owned by the occupant and those paying subsidised rent.
- 36** Such imputations allow for more meaningful comparison of the income circumstances of people living in different tenure types, and to understand changes over time in income levels and the distribution of income when tenures may be changing over time. Including imputed rent as part of household income and expenditure conceptually treats owner-occupiers as if they were renting their home from themselves, thus simultaneously incurring rental expenditure and earning rental income. Imputed rent is included in income on a net basis i.e. the imputed value of the services received less the value of the housing costs incurred by the household in their role as a landlord.
- 37** Hedonic regression is used to estimate the market value of the rental equivalent of an owner-occupied dwelling. Data from the SIH on reported rents paid by private market renters is regressed on the characteristics of their rented dwellings e.g. location and dwelling structure. The estimated coefficients are then applied to the corresponding characteristics of owner-occupied and other dwellings to produce imputed values of the gross rental equivalence for these dwellings.
- 38** Net imputed rent is estimated as gross imputed rent less reported housing costs. For owner occupiers, the housing costs subtracted are those which would normally be paid by landlords i.e. rates, mortgage interest, insurance, repairs and maintenance. For households paying subsidised rent (e.g. tenants of an employer or of a state/territory housing authority) and households occupying their dwelling rent-free, the housing costs that are subtracted are largely made up of the reported rent paid, but other housing costs incurred, such as rates, are also subtracted for some tenure types. In the case of tenants of state/territory housing authorities, the net imputed rent estimates have been benchmarked to administrative data on the mean weekly rental subsidy.
- Net worth* **39** Net worth, often referred to as wealth, is the value of a household's assets less the value of its liabilities. Assets can take many forms including:
- produced tangible fixed assets that are used repeatedly and for more than one year, such as dwellings and their contents, vehicles, and machinery and equipment used in businesses owned by households
 - intangible fixed assets such as computer software and artistic originals
 - business inventories of goods
 - non-produced assets such as land
 - financial assets such as bank deposits, shares, superannuation account balances, and the outstanding value of loans made to other households or businesses.
- 40** Liabilities are primarily the value of loans outstanding including:
- credit card debt
 - mortgages

EXPLANATORY NOTES *continued*

Net worth *continued*

- investment loans
- borrowings from other households
- debt on other loans such as personal loans to purchase vehicles, and study loans.

41 In the 2009–10 SIH, some asset and liability data were collected on a net basis rather than collecting for each component listed above. In particular, if a survey respondent owned or part owned a business, they were asked how much they would receive if they sold their share of the business and paid off any outstanding debts.

42 While this publication provides some household net worth statistics, principally to aid income analysis, a more comprehensive range of household asset and liability information will be released in October 2011 in *Household Wealth and Wealth Distribution, Australia, 2009–10* (cat. no. 6554.0).

SURVEY METHODOLOGY

Scope

43 The survey collects information by personal interview from usual residents of private dwellings in urban and rural areas of Australia (excluding very remote areas), covering about 97% of the people living in Australia. Private dwellings are houses, flats, home units, caravans, garages, tents and other structures that were used as places of residence at the time of interview. Long-stay caravan parks are also included. These are distinct from non-private dwellings which include hotels, boarding schools, boarding houses and institutions. Residents of non-private dwellings are excluded.

44 Usual residents excludes:

- households which contain members of non-Australian defence forces stationed in Australia
- households which contain diplomatic personnel of overseas governments
- households in collection districts defined as very remote - this has only a minor impact on aggregate estimates except in the Northern Territory where such households account for about 23% of the population.

Data collection

45 Information for each household was collected using:

- a household level computer assisted interview questionnaire which collected information on household characteristics
- an individual level computer assisted interview questionnaire which collected information on income, wealth, childcare costs and other personal characteristics from each usual resident aged 15 years and over

46 Sample copies of the above documents are included in the *Household Expenditure Survey and Survey of Income and Housing, User Guide, Australia, 2009–10* (cat. no. 6503.0) to be released in September 2011.

Sample design

47 The sample was designed to produce reliable estimates for broad aggregates for households resident in private dwellings aggregated for Australia, for each state and for the capital cities in each state and territory. More detailed estimates should be used with caution, especially for Tasmania, the Northern Territory and the Australian Capital Territory (see Appendix 4).

48 The SIH sample was designed in conjunction with the HES. In the combined sample, some dwellings were selected to complete both the SIH questionnaire and the HES questionnaire, while other dwellings were selected to complete the SIH questionnaire only. Dwellings were selected through a stratified, multistage cluster design from the private dwelling framework of the ABS Population Survey Master Sample. Selections were distributed across a twelve month enumeration period so that the survey results are representative of income and expenditure patterns across the year.

49 For the 2009–10 SIH and HES there was an additional sample of metropolitan households whose main source of income was government pensions, benefits and/or allowances. These households were enumerated using a separate sample design.

EXPLANATORY NOTES *continued*

Sample design continued

50 In the pensioner sample, dwellings were selected via two phase sampling to complete the HES questionnaire. To target the pensioner households the 2006 Census information was used to identify areas where the number of households that were more likely to belong to the target population were higher. This frame prediction was then updated for known deficiencies and changes to the Australian population since 2006. Selections of small geographic (meshblock) first stage units were made to avoid overlap with the population master sample and distributed across a ten month enumeration period from September 2009 to July 2010.

Non-responding households

51 For the SIH (excluding the additional pensioner sample) there were 18,285 households in the scope of the survey. Of these, 3,421 did not respond at all to the questionnaire, or did not respond adequately. Of these 3,421 households, 33% were not able to be contacted during the survey enumeration and 49% were contacted but either refused to respond or were not able to respond. The remainder of these households included:

- households affected by death or illness of a household member
- households in which the significant person(s) in the household did not respond because they had language problems or refused to participate
- households in which the significant person(s) did not respond to key questions.

52 For the additional pensioner sample 42,913 dwellings were approached to screen for inclusion in the sample.

- Of these 42,913 dwellings, 5,522 dwellings (13%) were non-contacts and 918 (2%) refused to answer the screening questions. This resulted in 36,473 dwellings screened for potential interview
- Of these 36,473 dwellings, 31,439 were screened as out of scope for pensioner sample (i.e. the respondent identified the household's main source of income as a source other than government pensions or benefits). This resulted in 5,034 dwellings identified for interview
- Of these 5,034 dwellings, 230 (5%) were identified as sample loss at the point of interview (e.g. all usual residents out of scope), leaving 4,804 dwellings identified as being in scope and selected for interview. Of these, 3,434 dwellings (71%) were fully responding. Taking into account the two phase sample design, the overall coverage rate was about 47% of expected pensioner households with respect to the design frame.

Partial response and imputation

53 Some households did not supply all the required information but supplied sufficient information to be retained in the sample. Such partial response occurs when:

- income or other data in a questionnaire are missing from one or more non-significant person's records because they are unable or unwilling to provide the data
- all key questions are answered by the significant person(s) but other data are missing
- not every person aged 15 years or over residing in the household responds but the significant person(s) provide answers to all key questions.

54 In the first two cases, the data provided are retained and the missing data are imputed by replacing each missing value with a value reported by another person (referred to as the donor).

55 For the third type of partial response, the data for the persons who did respond are retained, and data for each missing person are provided by imputing data values equivalent to those of a fully responding person (the donor).

EXPLANATORY NOTES *continued*

Partial response and imputation continued

56 Donor records are selected by finding fully responding persons with matching information on various characteristics (such as state, sex, age, labour force status and income) as the person with missing information. As far as possible, the imputed information is an appropriate proxy for the information that is missing. Depending on which values are to be imputed, donors are randomly chosen from the pool of individual records with complete information for the block of questions where the missing information occurs.

57 The final sample includes 5,419 households which had at least one imputed value in income or child care expenses. For 53.7% of these households only a single value was missing, and most of these were for income from interest and investments or information relating to household loans.

Final sample

58 The final sample on which estimates were based is composed of persons for which all necessary information is available. The information may have been wholly provided at the interview (fully-responding) or may have been completed through imputation for partially responding households. Of the selected dwellings, there were 18,285 in the scope of the survey, of which 14,864 (81%) were included as part of the final estimates. For the additional pensioner sample 4,804 dwellings identified as being in scope, of which 3,027 dwellings (67%) were included on the final file. The final combined sample consists of those 18,071 households, comprising 33,999 persons aged 15 years old and over.

SIH FINAL SAMPLE: NUMBER OF HOUSEHOLDS – 2009–10

	CAPITAL CITY		BALANCE OF STATE		TOTAL	
	<i>Households</i>	<i>Persons</i>	<i>Households</i>	<i>Persons</i>	<i>Households</i>	<i>Persons</i>
	no.	no.	no.	no.	no.	no.
NSW	2 245	4 294	1 069	2 071	3 314	6 365
Vic.	2 027	3 834	1 079	2 018	3 106	5 852
Qld	1 588	2 991	1 115	2 155	2 703	5 146
SA	1 686	3 043	1 114	2 079	2 800	5 122
WA	1 532	2 800	1 212	2 321	2 744	5 121
Tas.	779	1 399	1 085	2 049	1 864	3 448
NT	505	927	73	127	578	1 054
ACT	962	1 891	—	—	962	1 891
Aust.	11 324	21 179	6 747	12 820	18 071	33 999

— nil or rounded to zero (including null cells)

Weighting

59 Weighting is the process of adjusting results from a sample survey to infer results for the total in scope population whether that be persons or households. To do this, a 'weight' is allocated to each sample unit e.g. a person or a household. The weight is a value which indicates how many population units are represented by the sample unit. The first step in calculating weights for each unit is to assign an initial weight, which is the inverse of the probability of being selected in the survey. For example, if the probability of a household being selected in the survey was 1 in 600, then the household would have an initial weight of 600 (that is, it represents 600 households).

60 An adjustment is then made to the initial weights to account for changes in the sample across the four quarters of survey enumeration; the sum of the weights after this initial adjustment of households in each quarter is equal.

61 The initial weights are then calibrated to align with independent estimates of the population of interest, referred to as 'benchmarks'. Weights calibrated against population benchmarks ensure that the survey estimates conform to the independently estimated distribution of the population rather than to the distribution within the sample itself.

EXPLANATORY NOTES *continued*

Weighting continued

62 In the 2009–10 SIH, as in 2007–08, all persons in each household were assigned a weight. This differs from the 2005–06 SIH where children aged 0–14 years were not given separate weights, but household counts of the number of children were benchmarked to population totals.

63 The SIH survey was benchmarked to the in scope estimated resident population (ERP) and the estimated number of households in the population. The 2009–10 SIH used population and household benchmarks based on the 2006 Census.

64 The benchmarks used in the calibration of the final weights for the 2009–10 SIH were:

- number of persons —
 - by state or territory by age by sex
 - by five year age groups up to 80+ years for all states and territories (excluding NT)
 - by five year age groups up to 70+ years for the NT
 - by state or the ACT by labour force status ('Employed', 'Unemployed' and 'Not in the labour force')
 - by state by capital city/balance of state (excluding NT and ACT which use only state)
- numbers of households —
 - by household composition (number of adults (1,2 or 3+) and whether or not the household contains children) (excluding NT which uses only number of adults of 1+)
- the value of government benefit cash transfers.

65 More detailed age groupings have been used where possible in benchmarking 2009–10 SIH results.

66 The benchmark for the value of government benefit cash transfers was used for 2009–10 because, without it, the survey estimates of the number of people receiving income from government benefit cash transfers were lower (81% coverage) than the expected 85% coverage of payments reported by the Department of Family and Community Services, the Department of Veterans' Affairs and the Department of Education, Employment and Workplace Relations. This benchmark was last used in compiling results from the 2000–01 SIH. The benchmark is intended to address likely differences between the characteristics of people who responded to the survey and the characteristics of those who did not respond. The economic circumstances between the 2007–08 and 2009–10 SIH collections saw strong growth in the numbers of recipients for the age pension and disability support pensions. Introducing an additional benchmark is a means of addressing this. The benchmark ensured that the survey estimate of government benefit cash transfers is maintained at a proportion of aggregate benefit cash transfers that is consistent with previous SIH cycles.

67 The independent person and household benchmarks are based on demography estimates of numbers of persons and households in Australia. The benchmarks are adjusted to include persons and households residing in private dwellings only and to exclude persons living in very remote areas, and therefore do not, and are not intended to, match estimates of the Australian resident population published in other ABS publications.

68 In weighting the pensioner sample, independent initial probability weights were assigned to the pensioner sample as it was selected separately from the SIH sample. The initial probability weights were then adjusted by the results of the first phase screening results with respect to the observed proportion of identified screened pensioner households. This pensioner sample was only able to be collected in three of the four

EXPLANATORY NOTES *continued*

Weighting continued

quarters of SIH enumeration and the initial probability weights were adjusted accordingly.

69 The pensioner weighted estimates for persons and households were calibrated to the main SIH sample estimates of persons, households and total weekly household income.

70 Composite estimation was used to obtain the optimal proportions for combining the pensioner sample and main SIH for age pensioner households and other pension beneficiary households at a state by quarter of enumeration level. For more details see *Household Expenditure Survey and Survey of Income and Housing, User Guide, Australia, 2009–10* (cat. no. 6503.0) to be released in September 2011.

Estimation

71 Estimates produced from the survey are usually in the form of averages (e.g. average weekly income of couple households with dependent children), or counts (e.g. total number of households that own their dwelling or total number of persons living in households that own their own dwelling). For counts of households, the estimate was obtained by summing the weights for the responding households in the required group (e.g. those owning their own dwelling). For counts of persons, the household weights were multiplied by the number of persons in the household before summing. The SIH collects data on the number of people, including children, in each household but separate records with income and most detailed data were only collected for people 15 years and older.

72 Average income values are obtained in two different ways, depending on whether mean gross household income or mean equivalised disposable household income is being derived. Estimates of mean gross household income are calculated on a household weighted basis. They are obtained by multiplying the gross income of each household by the weight of the household, summing across all households and then dividing by the estimated number of households. For example, the mean gross household income of couple households with dependent children is the weighted sum of the gross income of each such household divided by the estimated number of those households.

73 Estimates of mean equivalised disposable household income are calculated on a person weighted basis. They are obtained by multiplying the equivalised disposable income of each household by the number of people in the household (including children) and by the weight of the household, summing across all households and then dividing by the estimated number of people in the population group. Appendix 3 illustrates the differences between mean gross household income calculated on a household weighted basis and mean equivalised disposable household income calculated on a person weighted basis.

RELIABILITY OF ESTIMATES

74 The estimates provided in this publication are subject to two types of error, non-sampling and sampling error.

Non-sampling error

75 Non-sampling error can occur in any collection, whether the estimates are derived from a sample or from a complete collection such as a census. Sources of non-sampling error include non-response, errors in reporting by respondents or recording of answers by interviewers and errors in coding and processing the data.

76 Non-sampling errors are difficult to quantify in any collection. However, every effort is made to reduce non-sampling error to a minimum by careful design and testing of the questionnaire, training of interviewers and data entry staff and extensive editing and quality control procedures at all stages of data processing.

EXPLANATORY NOTES *continued*

Non-sampling error continued

77 One of the main sources of non-sampling error is non-response by persons selected in the survey. Non-response occurs when people cannot or will not cooperate or cannot be contacted. Non-response can affect the reliability of results and can introduce a bias. The magnitude of any bias depends upon the level of non-response and the extent of the difference between the characteristics of those people who responded to the survey and those who did not.

78 The following methods were adopted to reduce the level and impact of non-response:

- Primary Approach Letters (PALs) were posted to selected SIH and HES households prior to enumeration
- document cards were provided to respondents to suggest having financial statements and similar documents handy at the time of interview to assist with accurate responses
- face-to-face interviews with respondents
- the use of interviewers who could speak languages other than English, where necessary
- Proxy Interviews conducted when consent is given, with a responsible person answering on behalf of a respondent incapable of doing so themselves
- follow-up of respondents if there was initially no response
- imputation of missing values
- ensuring that the weighted data is representative of the population (in terms of demographic characteristics) by aligning the estimates with population benchmarks.

Sampling error

79 The estimates are based on a sample of possible observations and are subject to sampling variability. The estimates may therefore differ from the figures that would have been produced if information had been collected for all households. A measure of the sampling error for a given estimate is provided by the standard error, which may be expressed as a percentage of the estimate (relative standard error). Further information on sampling error is given in Appendix 4.

ACKNOWLEDGMENT

80 ABS publications draw extensively on information provided freely by individuals, businesses, governments and other organisations. Their continued cooperation is very much appreciated: without it, the wide range of statistics published by the ABS would not be available. Information received by the ABS is treated in strict confidence as required by the *Census and Statistics Act 1905*.

SPECIAL DATA SERVICES

81 The ABS offers specialist consultancy services to assist clients with more complex statistical information needs. Clients may wish to have the unit record data analysed according to their own needs, or require tailored tables incorporating data items and populations as requested by them. Tables and other analytical outputs can be made available electronically or in printed form. However, as the level of detail or disaggregation increases with detailed requests, the number of contributors to data cells decreases. This may result in some requested information not being able to be released due to confidentiality or sampling variability constraints. All specialist consultancy services attract a service charge, and clients will be provided with a quote before information is supplied. For further information, contact ABS information consultants on 1300 135 070 from 9:00am to 4:30pm AEST Monday to Friday (International callers +61292684909).

UNIT RECORD FILE

82 It is expected that a basic confidentialised unit record file (CURF) from the 2009–10 SIH will be released on CD-ROM in September 2011. It is also expected that a more detailed (expanded) SIH CURF will be available through the ABS Remote Access Data Laboratory. All clients wishing to access the SIH 2009–10 basic and expanded CURFs should refer to the ABS Website <<http://www.abs.gov.au>> (see Services, ABS Microdata)

EXPLANATORY NOTES *continued*

UNIT RECORD FILE *continued*

and read the Microdata Entry Page, and other linked information, before downloading the appropriate Guide, Application and Undertaking forms and applying for access.

Australian universities

83 University clients should refer to the ABS web site <www.abs.gov.au> (see Services, Services for Universities). The SIH 2009–10 basic and expanded CURFs can be accessed by universities participating in the ABS/Universities Australia Agreement for research and teaching purposes.

Other clients

84 Other prospective CURF clients should contact the Microdata Access Strategies Section of the ABS at <microdata.access@abs.gov.au> or on (02) 6252 7714.

RELATED PUBLICATIONS

85 Users may wish to refer to the following ABS products which relate to income. All can be downloaded free of charge from the ABS website.

Household Expenditure Survey and Survey of Income and Housing, User Guide, Australia, 2009–10 (cat. no. 6503.0) is expected to be released in September 2011
Microdata: Household Expenditure Survey and Survey of Income and Housing – Basic and Expanded CURF, Australia (cat. no. 6540.0) is expected to be released in September 2011

Household Expenditure Survey, Australia: Summary of Results, 2009–10 (cat. no. 6530.0) is expected to be released in September 2011

Housing Occupancy and Costs, Australia, 2009–10 (cat. no. 4130.0) is expected to be released in November 2011

Household Wealth and Wealth Distribution, Australia 2009–10 (cat. no. 6554.0) is expected to be released in October 2011

Government Benefits, Taxes and Household Income, Australia 2009–10 (cat. no. 6537.0) is expected to be released mid 2012

86 The earlier publications relating to the SIH are listed below. These publications can also be downloaded free of charge from the ABS website.

Experimental Estimates of Imputed Rent, Australia, 2003–04 and 2005–06 (cat. no. 6525.0)

Estimates of Personal Income for Small Areas, 2001–02 to 2005–06 (cat. no. 6524.0.55.002)

Government Benefits, Taxes and Household Income, Australia, 2003–04 (cat. no. 6537.0)

Household Expenditure Survey, Australia: Summary of Results, 2003–04 (cat. no. 6530.0)

Household Expenditure Survey, Detailed Expenditure Items, 2003–04 (cat. no. 6535.0.55.001)

Housing Occupancy and Costs, Australia, 2007–08 (cat. no. 4130.0)

Household Wealth and Wealth Distribution, Australia, 2005–06 (cat. no. 6554.0)

87 The other ABS publications relevant to income statistics are listed below. These publications can also be downloaded free of charge from the ABS website.

Labour Force, Australia (cat. no. 6202.0)— monthly

Average Weekly Earnings, Australia (cat. no. 6302.0)— quarterly

Measuring Wellbeing: Frameworks for Australian Social Statistics, 2001 (cat. no. 4160.0)

Measures of Australia's Progress, 2010 (cat. no. 1370.0)

Estimates of Personal Income for Small Areas, Time Series, 2003–04 to 2007–08 (cat. no. 6524.0.55.002)

Information paper: Changes to ABS Measures of Employee Remuneration, Australia, 2006 (cat. no. 6313.0)

Standards for Income Variables, 2010 (cat. no. 1287.0) — this is only available electronically and cannot be downloaded.

EXPLANATORY NOTES *continued*

RELATED PUBLICATIONS *continued*

88 Users may also wish to refer to the following non-ABS products which relate to income.

Taxation Statistics 2008–09: A summary of income tax returns for the 2008–09 income year and other reported tax information for the 2009–10 financial year (Australian Tax Office) link: under > Corporate > Our statistics centre > Taxation Statistics

www.ato.gov.au

Statistical Paper No. 3: Income support customers: A statistical overview 2010 (Department of Families, Community Services and Indigenous Affairs)

link: under FaHCSIA Internet > About FaHCSIA > Publications & Articles > Research Publications > Statistical Paper series

www.fahcsia.gov.au/about/publicationsarticles/research/statistical/Pages/default.aspx

Household, Income and Labour Dynamics in Australia (HILDA) Survey, Annual Report 2010 (Department of Families, Housing, Community Services and Indigenous Affairs)

link: www.melbourneinstitute.com/hilda/areport.html

APPENDIX 1 ANALYSING INCOME DISTRIBUTION

INTRODUCTION

There are many ways to illustrate aspects of the distribution of income and to measure the extent of income inequality. In this publication, five main types of indicator are used - means and medians, frequency distributions, percentile ratios, income shares, and Gini coefficients. This Appendix describes how these indicators are derived.

MEAN AND MEDIAN

Mean household income (average household income) and median household income (the midpoint when all persons or households are ranked in ascending order of household income) are simple indicators that can be used to show income differences between subgroups of the population. Many tables in this publication include mean household income and median household income data.

The main income measure used in this publication is equivalised disposable household income, and the means and medians are calculated with respect to the relevant number of persons. This enables people in large households to have the same contribution to the mean/median as people living alone, and is possible because equivalised disposable household income is an indicator of the economic resources available to each individual in a household.

The method for calculating means is described under 'Estimation' in the Explanatory Notes.

In some tables describing households, the mean and median of gross household income are also shown. These measures are calculated with respect to the relevant number of households, not persons. They are sometimes known as household weighted measures.

FREQUENCY DISTRIBUTION

A frequency distribution illustrates the location and spread of income within a population. It groups the population into classes by size of household income and gives the number or proportion of people in each income range. A graph of the frequency distribution is a good way to portray the essence of the income distribution. The second graph (S4) in the Summary of Findings shows the proportion of people within \$50 household income ranges.

Frequency distributions can provide considerable detail about variations in the income of the population being described, but it is difficult to describe the differences between two frequency distributions. They are therefore often accompanied by other summary statistics, such as the mean and median. Taken together, the mean and median can provide an indication of the shape of the frequency distribution. As can be seen in the second graph (S4) in the Summary of Findings, the distribution of income tends to be asymmetrical, with a small number of people having relatively high household incomes and a larger number of people having relatively lower household incomes. The greater the asymmetry, the greater will be the difference between the mean and the median.

QUANTILE MEASURES

When persons (or any other units) are ranked from the lowest to the highest on the basis of some characteristic such as their household income, they can then be divided into equally sized groups. The generic term for such groups is quantiles.

Quintiles, deciles and percentiles

When the population is divided into five equally sized groups, the quantiles are called quintiles. If there are 10 groups, they are deciles, and division into 100 groups gives percentiles. Thus the first quintile will comprise the first two deciles and the first 20 percentiles.

This publication frequently presents data classified into income quintiles, supplemented by data relating to the 2nd and 3rd deciles combined. The latter is included to enable quintile style analysis to be carried out without undue impact from very low incomes which may not accurately reflect levels of economic wellbeing (see paragraphs 29 to 32 of Explanatory Notes).

APPENDIX 1 ANALYSING INCOME DISTRIBUTION *continued*

Quintiles, deciles and percentiles continued

Equivalentised disposable household income is the income measure used to define the quintiles shown in this publication, and the quintiles each comprise the same number of persons, that is, they are person weighted.

Upper values and medians

In some analyses, the statistic of interest is the boundary between quintiles. This is usually expressed in terms of the upper value of a particular percentile. For example, the upper value of the first quintile is also the upper value of the 20th percentile and is described as P20. The upper value of the ninth decile is P90. The median of a whole population is P50, the median of the 3rd quintile is also P50, the median of the first quintile is P10, etc.

Percentile ratios

Percentile ratios summarise the relative distance between two points on the income distribution. To illustrate the full spread of the income distribution, the percentile ratio needs to refer to points near the extremes of the distribution, for example, the P90/P10 ratio. The P80/P20 ratio better illustrates the magnitude of the range within which the incomes of the majority of the population fall. The P80/P50 and P50/P20 ratios focus on comparing the ends of the income distribution with the midpoint (the median).

Income share

Income shares can be calculated and compared for each income quintile (or any other subgrouping) of a population. The aggregate income of the units in each quintile is divided by the overall aggregate income of the entire population to derive income shares.

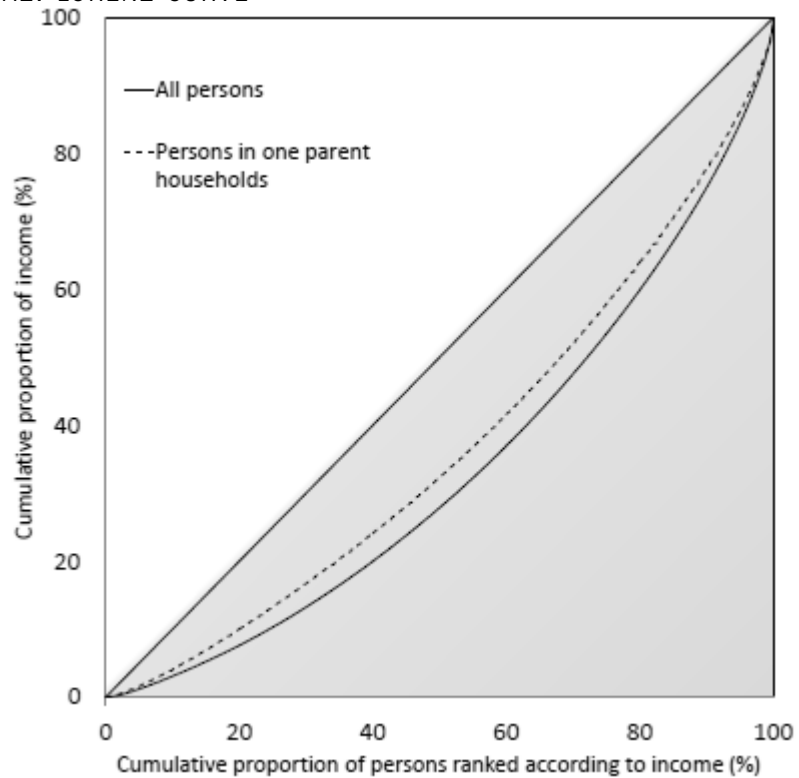
GINI COEFFICIENT

The Gini coefficient is a single statistic which summarises the distribution of income across the population. Some other single statistic summaries of inequality are discussed in Appendix 1 of the 2002–03 issue of this publication.

The Gini coefficient can best be described by reference to the Lorenz curve. The Lorenz curve is a graph with horizontal axis showing the cumulative proportion of the persons in the population ranked according to household income and with the vertical axis showing the corresponding cumulative proportion of equivalentised disposable household income. The graph then shows the income share of any selected cumulative proportion of the population, as can be seen below.

GINI COEFFICIENT *continued*

A1. LORENZ CURVE



If income were distributed evenly across the whole population, the Lorenz curve would be the diagonal line through the origin of the graph. The Gini coefficient is defined as the ratio of the area between the actual Lorenz curve and the diagonal (or line of equality) and the total area under the diagonal. The Gini coefficient ranges between zero when all incomes are equal and one when one unit receives all the income, that is, the smaller the Gini coefficient the more even the distribution of income.

Normally the degree of inequality is greater for the whole population than for a subgroup within the population because subpopulations are usually more homogeneous than full populations. This is illustrated in the graph above, which shows two Lorenz curves from the 2009–10 Survey of Income and Housing. The Lorenz curve for the whole population of the survey is further from the diagonal than the curve for persons living in one parent, one family households, with at least one dependent child. Correspondingly, the calculated Gini coefficient for all persons was 0.328 while the coefficient for the persons in the one parent households included here was 0.262.

APPENDIX 2 CURRENT AND ANNUAL INCOME

INTRODUCTION

The Survey of Income and Housing (SIH) produces estimates of 'current' income and estimates of full year, or annual, income with respect to the 'previous financial year'. The tables in the main body of this publication refer to 'current' income, that is, estimates of income being received at the time the data were collected from respondents. Current income provides the most up to date information available and in some cases the most accurate information available. But it also has some disadvantages. This Appendix discusses the differences in 'current' and 'annual' income measures and presents comparative estimates on both bases.

Table A3 in this Appendix compares current gross income with previous financial year gross income for common reference years. For example, the previous financial year income for reference year 1995–96 is compiled from data collected in the 1996–97 SIH, whereas the current income for reference year 1995–96 is compiled from data collected in the 1995–96 SIH.

WAGE AND SALARY INCOME

For wage and salary income, Table A3 in this Appendix shows that, for each reference year up until 2002–03 aggregate income collected on a previous financial year basis was greater than aggregate income collected on a current basis.

Current wage and salary income relates to usual income from the last payment received by the respondent. The reference period for any individual respondent is likely to be the previous week, fortnight or month, depending on the length of the pay period for the job(s) in which the respondent is employed. The length of the reference period is collected in the survey so that the value can be scaled to a common basis such as dollars per week (as presented in tables in the main body of this publication) or dollars per year (as presented in Table A3 in this Appendix).

Additional questions are used to obtain information about receipts which may not have been included in the most recent payment. For example, for wage and salary earners for surveys prior to 2007–08, information on irregular overtime, bonuses and non-cash benefits was only collected on a previous financial year basis.

However from 2007–08 onwards, wages and salaries collected on a current basis include irregular overtime, bonuses and non-cash incomes. Therefore current and previous year measures are likely to be very much closer in coverage than in previous cycles.

GOVERNMENT PENSIONS AND ALLOWANCES

Current government pensions and allowances also relate to income from the last payment received. Benefits are normally received fortnightly. As with wages and salaries, there are some benefit components, such as quarterly seniors supplement that may not be included in estimates of current income. It would be expected that estimates of current government pensions and allowances could be slightly less than previous financial year estimates, reflecting potential omission of such supplementary payment and possible part years effects in the previous year.

Estimates of government pensions and allowances reported on a previous financial year basis, for the five years that can be compared (1994–95 to 2002–03) were 3.9% lower than estimates of government pensions and allowances reported as current income, as can be seen in Table A3 in this Appendix.

In cases where it appears likely that an individual SIH respondent has failed to report previous financial year benefits, previous year benefit income is imputed. For example, where a respondent has reported receiving a current benefit such as age pension, is of an age that would qualify for the age pension in the previous year, and that person has not reported receiving significant income from other sources in the previous financial year, it can be assumed that they probably would have also received the age pension in the previous financial year. In such cases, previous financial year age pension has been imputed on the basis of the amount reported as current income, adjusting for benefit rate changes over the previous 12 months.

APPENDIX 2 CURRENT AND ANNUAL INCOME *continued*

GOVERNMENT PENSIONS AND ALLOWANCES *continued*

However, imputation for previous year benefit income, based on likely ongoing entitlement, is not possible for benefits such as Newstart or Youth Allowance, and Table A3 in this Appendix indicates that, in aggregate, previous financial year income falls short of current income after the implementation of the imputation procedure described in the previous paragraph.

OWN UNINCORPORATED BUSINESS INCOME

Estimates of current income from own unincorporated business are quite different in nature to the estimates of current income for the two income sources discussed above.

The concept of business income is a net concept. It is the profit or loss derived by deducting operating expenses (including depreciation) from the value of gross output. In the past, many unincorporated businesses did not calculate profit and loss data more than once a year, and for many businesses there are revenues earned or costs incurred only infrequently during the year. Hence, in earlier surveys, SIH respondents were not asked to provide a value of current business income distinct from the value of business income received in the previous financial year.

Up to and including the 2002–03 SIH cycle, for respondents who had been in business in the previous financial year and who were currently still in business, their current own unincorporated business income was estimated to be the same amount as the previous year income (including if it was a loss), or scaled up to a full year basis if the business only operated for part of the previous year. It was implicitly assumed that any business only commencing operations in the current year would have zero income.

Since the 2003–04 SIH, respondents who currently operated an unincorporated business have been asked to estimate their income from the business for the full current financial year. In many cases, respondents could refer to the Business Activity Statements prepared for the Australian Taxation Office to help them provide an estimate. Even where this was not possible, especially for those respondents interviewed early in the financial year, the respondents are likely to be able to provide a more reasonable estimate than that generated by the methodology used in previous cycles. Under the previous methodology, estimates could have a strong downwards bias, particularly for new businesses, but could also be significantly upwardly biased if the current business circumstances had turned down from the previous year. There is also some likelihood that respondent estimates under the new methodology may be either optimistic or pessimistic and the estimates may have some bias. The new methodology has particularly resulted in far fewer households being recorded with current business incomes that are negative, zero or only slightly positive.

INVESTMENT INCOME

Investment income includes interest and dividend income received as a result of the ownership of financial assets, and rent and royalty income received from the ownership of non-financial assets. The rent component of investment income is measured on a net basis, that is, gross rent less operating expenses. Interest paid on money borrowed to purchase shares or units in trusts is also netted off income earned from these sources. All other components, for which associated expenses are normally relatively small, are on a gross basis.

As for own unincorporated business income, since the 2003–04 SIH, respondents are asked to provide an estimate of their expected investment income in the current financial year. In earlier surveys, estimates of current investment income were derived by simply assuming that current income was equal to previous financial year income.

OTHER INCOME

The remaining income sources include superannuation and life insurance pensions, child support, workers' compensation, scholarships and other current transfers received from family members living in other households. These are collected both on a current basis and on a previous financial year basis. From 2007–08 onwards, the coverage of inter

APPENDIX 2 CURRENT AND ANNUAL INCOME *continued*

OTHER INCOME *continued*

household transfers has been widened to include less regular paid transfers that are intended to support current consumption.

COMPARISON OF ESTIMATES

There are two major advantages of the current income estimates compared to previous financial year income estimates. First, they are more up to date. From 2003–04 this applies to all forms of income. For previous surveys, this applies for wages and salaries, for government pensions and allowances and for 'other' income (as defined in the preceding paragraph), which together accounted for 88% of total current income in 2002–03. Second, they appear to be more accurately reported for government pensions and allowances, and may also be more accurately reported for those elements of wages and salaries that are included in current income and for 'other' income.

On the other hand, up until the 2005–06 survey, the previous financial year estimates had the major conceptual advantage of being annual estimates with more complete coverage of income components. They have a longer time perspective, which while allowing short-term fluctuations in income to have an influence, do not allow short-term situations to potentially dominate the measure being compiled. If a short-term fluctuation has an undue influence on a current income measure, the measure is not a good indicator of underlying economic well-being. From 2007–08 the changes to capture irregular bonuses, overtime and non-cash incomes in wages and salaries have addressed the major coverage gaps in current income measures.

The previous financial year income estimates also have the attraction of being internally consistent with respect to the time periods to which the underlying income data relate. Prior to 2003–04 the total current income estimates were compiled from a mix of data collected on a current basis and on a previous financial year basis. This shortcoming was addressed in 2003–04 and subsequent years, with the current income estimates for business and investment income being the respondents' estimates of income for the full current financial year.

When analysing previous financial year data, it should be noted that the composition of the household, employment status of members of the household, etc., all relate to the current period. If the composition of the household has changed, previous financial year household income estimates relate to a quasi household. In many cases this will not have a marked effect on the data. If, for example, an additional adult joined the household, their previous financial year income will be included in total 'household' income for the previous financial year, but their presence will be reflected in the household composition data that are used for calculating the equivalising factor for that previous year, muting the impact of the artificially inflated previous year income for the household.

However, the impact of household composition changing between the previous and current years can be more marked. For example, a household may have had an additional member in the previous year and that person may have provided the bulk of the income for the household. But since SIH can only include the previous financial year income of the household members remaining at the time of interview, the household may incorrectly appear to have had very low income in the previous year, perhaps well below the levels which would have entitled members to social security benefits.

Similarly, prior to the 2003–04 SIH, previous financial year data were not collected for respondents who had only arrived in Australia in the current financial year. Therefore any previous financial year income they received while overseas did not contribute to the previous financial year income compiled for the household for 2001–02 and earlier years. But their presence is reflected in the equivalising factor applied to the income of the rest of the household, resulting in an underestimate of equivalised income of the household. While it is possible to omit such households from income distribution calculations, that has not been done for the tables included in this appendix.

APPENDIX 2 CURRENT AND ANNUAL INCOME *continued*

COMPARISON OF ESTIMATES
continued

Table A4 in this Appendix provides income distribution indicators compiled from previous financial year data. It provides alternative estimates to the current income estimates provided in Table 1 in the main body of this publication.

Comparisons can be made between the two tables for five of the reference periods 1994–95 to 2002–03 and a summary of the change over the 8 years span of the estimates is given in Table A2 below.

A2. SELECTED INCOME DISTRIBUTION INDICATORS, Equivalised disposable household income

		CURRENT INCOME BASIS			PREVIOUS FINANCIAL YEAR BASIS			Difference in % change
		1994–95	2002–03	% change	1994–95	2002–03	% change	
Mean income per week in 2009–10 dollars								
Low income (a)	\$	292	327	12.0	297	332	11.8	-0.2
High income (b)	\$	1 022	1 186	16.0	1 039	1 214	16.8	0.8
Income shares								
Low income (a)	%	10.8	10.6	-1.9	10.7	10.5	-1.9	—
High income (b)	%	37.8	38.3	1.3	37.6	38.4	2.1	0.8
Percentile ratios								
P90/P10	ratio	3.78	4.00	5.8	3.90	4.02	3.1	-2.7
P80/P20	ratio	2.56	2.63	2.7	2.62	2.63	0.4	-2.4
Gini coefficient	no.	0.302	0.309	2.3	0.302	0.312	3.3	1.0

— nil or rounded to zero (including null cells)

(a) Persons in the 2nd and 3rd income deciles after being ranked by their equivalised disposable household income

(b) Persons in the top income quintile (9th and 10th deciles) after being ranked by their equivalised disposable household income

The previous financial year estimates show stronger growth in real incomes between 1994–95 and 2002–03 for the high income group, compared with current income estimates. The previous financial year estimates show a greater decline in the income share of the low income group and a greater increase in the income share of the high income group, resulting in greater growth in the Gini coefficient. For these indicators, the previous financial year estimates show a greater increase in income inequality than the current income estimates. However, the previous financial year estimates give a smaller increase in the P90/P10 and P80/P20 ratios, indicating a smaller increase in income inequality than shown by the current income estimates.

APPENDIX 2 CURRENT AND ANNUAL INCOME *continued*

A3. CURRENT AND PREVIOUS FINANCIAL YEAR GROSS INCOME (a)

	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99	1999-2000
	\$b	\$b	\$b	\$b	\$b	\$b	\$b
Wages and salaries							
Current income	na	194.7	199.3	211.6	223.6	na	251.1
Previous financial year income(b)	194.7	204.4	219.1	232.2	na	257.7	277.0
Government pension and allowances							
Current income	na	34.3	36.5	38.6	39.0	na	41.2
Previous financial year income(b)	30.7	32.8	34.9	36.2	na	37.7	40.5
Own unincorporated business							
Current income	na	18.8	23.2	21.4	23.6	na	28.7
Previous financial year income(b)	18.5	22.8	22.5	24.4	na	27.5	25.9
Investment income							
Current income	na	10.7	10.9	14.4	13.2	na	17.3
Previous financial year income(b)	10.9	11.0	14.3	13.0	na	17.3	15.7
Other income							
Current income	na	7.2	7.9	8.2	9.9	na	10.5
Previous financial year income(b)	6.6	7.0	7.5	8.4	na	8.5	9.7
Total income							
Current income	na	265.8	277.8	294.3	309.3	na	348.9
Previous financial year income(b)	261.4	278.0	298.4	314.2	na	348.7	368.8

na not available

(a) Historic data in the table are not adjusted for changes in the Consumer Price Index

(b) Compiled from the Survey of Income and Housing (SIH) of the year following the reference year. There was no SIH conducted in 1998-99, 2001-02, 2004-05, 2006-07 or 2008-09

APPENDIX 2 CURRENT AND ANNUAL INCOME *continued*

A3. CURRENT AND PREVIOUS FINANCIAL YEAR GROSS INCOME (a) *continued*

	2000-01	2001-02	2002-03(b)	2003-04(b)	2004-05(b)	2005-06(b)	2006-07(c)
	\$b	\$b	\$b	\$b	\$b	\$b	\$b
Wages and salaries							
Current income	268.3	na	308.4	341.7	na	402.1	na
Previous financial year income(d)	na	311.2	327.1	na	377.4	na	444.3
Government pension and allowances							
Current income	46.5	na	49.6	56.3	na	61.1	na
Previous financial year income(d)	na	44.6	48.3	na	52.0	na	52.6
Own unincorporated business							
Current income	27.7	na	33.2	31.2	na	39.4	na
Previous financial year income(d)	na	31.3	28.0	na	35.8	na	37.4
Investment income							
Current income	16.3	na	16.2	21.6	na	29.3	na
Previous financial year income(d)	na	16.6	19.1	na	26.4	na	33.4
Other income							
Current income	11.7	na	15.1	17.7	na	19.7	na
Previous financial year income(d)	na	13.1	16.5	na	17.8	na	25.6
Total income							
Current income	370.5	na	422.5	468.6	na	551.6	na
Previous financial year income(d)	na	416.9	439.0	na	509.4	na	593.3

na not available

(a) Historic data in the table are not adjusted for changes in the Consumer Price Index

(b) The 2002-03, 2003-04, 2004-05 and 2005-06 data have been recompiled to reflect new treatments of income, where data to support this calculation were collected

(c) Wages and salaries measured in 2007-08 and 2009-10 on a current financial year basis, and for 2006-07 and 2008-09 on a previous financial year basis, expressly include irregular overtime and irregular bonuses as well as non-cash wages and salaries and termination payments not collected in previous survey cycles

(d) Compiled from the Survey of Income and Housing (SIH) of the year following the reference year. There was no SIH conducted in 1998-99, 2001-02, 2004-05, 2006-07 or 2008-09

APPENDIX 2 CURRENT AND ANNUAL INCOME *continued*

A3. CURRENT AND PREVIOUS FINANCIAL YEAR GROSS INCOME (a) *continued*

	2007-08(b)	2008-09(b)	2009-10(b)
	\$b	\$b	\$b
Wages and salaries			
Current income	513.1	na	546.6
Previous financial year income(c)	na	503.1	na
Government pension and allowances			
Current income	65.2	na	79.3
Previous financial year income(c)	na	77.1	na
Own unincorporated business			
Current income	40.7	na	40.5
Previous financial year income(c)	na	34.7	na
Investment income			
Current income	43.4	na	39.3
Previous financial year income(c)	na	35.7	na
Other income			
Current income	31.6	na	33.3
Previous financial year income(c)	na	30.1	na
Total income			
Current income	694.0	na	739.0
Previous financial year income(c)	na	680.7	na

na not available

- (a) Historic data in the table are not adjusted for changes in the Consumer Price Index
- (b) Wages and salaries measured in 2007-08 and 2009-10 on a current financial year basis, and for 2006-07 and 2008-09 on a previous financial year basis, expressly include irregular overtime and irregular bonuses as well as non-cash wages and salaries and termination payments not collected in previous survey cycles
- (c) Compiled from the Survey of Income and Housing (SIH) of the year following the reference year. There was no SIH conducted in 1998-99, 2001-02, 2004-05, 2006-07 or 2008-09

APPENDIX 2 CURRENT AND ANNUAL INCOME *continued*

A4. INCOME DISTRIBUTION INDICATORS, PREVIOUS FINANCIAL YEAR INCOME (a)

<i>Person weighted indicator</i>	1993-94	1994-95	1995-96	1996-97	1998-99	1999-2000	2001-02
Mean income per week (b)							
Lowest quintile	\$ 205	215	221	222	225	231	229
Second quintile	\$ 353	357	361	358	381	386	402
Third quintile	\$ 492	491	497	502	537	540	560
Fourth quintile	\$ 658	660	663	678	719	723	752
Highest quintile	\$ 1 029	1 039	1 057	1 085	1 157	1 181	1 201
All persons	\$ 547	552	560	569	604	612	629
Second and third deciles	\$ 291	297	301	299	314	320	328
Income per week at top of selected percentiles (b)							
10th (P10)	\$ 235	241	246	247	255	259	261
20th (P20)	\$ 287	295	302	299	311	320	324
30th (P30)	\$ 352	356	359	358	381	383	400
40th (P40)	\$ 420	420	426	423	455	457	482
50th (P50)	\$ 493	490	497	501	536	540	558
60th (P60)	\$ 566	568	569	581	624	625	647
70th (P70)	\$ 647	655	661	674	715	719	749
80th (P80)	\$ 770	773	768	783	835	844	875
90th (P90)	\$ 942	938	939	960	1 019	1 051	1 064
Income share							
Lowest quintile	\$ 7.5	7.8	7.9	7.8	7.5	7.5	7.3
Second quintile	\$ 12.9	12.9	12.9	12.6	12.6	12.6	12.8
Third quintile	\$ 18.0	17.8	17.8	17.6	17.8	17.6	17.8
Fourth quintile	\$ 24.0	23.9	23.7	23.8	23.8	23.6	23.9
Highest quintile	\$ 37.6	37.6	37.8	38.2	38.3	38.6	38.2
All persons	\$ 100.0	100.0	100.0	100.0	100.0	100.0	100.0
Second and third deciles	\$ 10.6	10.7	10.8	10.5	10.4	10.5	10.4
Ratio of incomes at top of selected income percentiles							
P90/P10	\$ 4.00	3.90	3.82	3.89	4.00	4.06	4.08
P80/P20	\$ 2.68	2.62	2.54	2.62	2.68	2.64	2.70
P80/P50	\$ 1.56	1.58	1.55	1.56	1.56	1.56	1.57
P20/P50	\$ 0.58	0.60	0.61	0.60	0.58	0.59	0.58
Gini coefficient	no. 0.304	0.302	0.302	0.308	0.312	0.313	0.312

(a) Compiled from data collected in the survey of income and housing of the year following the reference years. Income is equivalised disposable household income

(b) In 2009-10 dollars, adjusted using changes in the Consumer price index

APPENDIX 2 CURRENT AND ANNUAL INCOME *continued*

A4. INCOME DISTRIBUTION INDICATORS, PREVIOUS FINANCIAL YEAR INCOME(a) *continued*

<i>Person weighted indicator</i>		2002-03	2004-05(b)	2006-07(c)	2008-09(d)
Mean income per week(d)					
Lowest quintile	\$	236	244	238	254
Second quintile	\$	403	430	451	488
Third quintile	\$	562	600	642	691
Fourth quintile	\$	746	791	875	929
Highest quintile	\$	1 214	1 338	1 527	1 580
All persons	\$	632	681	747	789
Second and third deciles	\$	332	350	361	392
Income per week at top of selected percentiles(d)					
10th (P10)	\$	266	278	278	296
20th (P20)	\$	330	348	360	390
30th (P30)	\$	401	427	448	487
40th (P40)	\$	483	514	547	588
50th (P50)	\$	562	601	639	690
60th (P60)	\$	644	688	742	794
70th (P70)	\$	740	786	874	922
80th (P80)	\$	869	925	1 024	1 094
90th (P90)	\$	1 071	1 142	1 284	1 370
Income share					
Lowest quintile	\$	7.4	7.2	6.4	6.5
Second quintile	\$	12.8	12.6	12.1	12.4
Third quintile	\$	17.8	17.6	17.2	17.5
Fourth quintile	\$	23.6	23.3	23.4	23.6
Highest quintile	\$	38.4	39.3	40.9	40.1
All persons	\$	100.0	100.0	100.0	100.0
Second and third deciles	\$	10.5	10.3	9.7	9.9
Ratio of incomes at top of selected income percentiles					
P90/P10	\$	4.02	4.11	4.61	4.63
P80/P20	\$	2.63	2.66	2.85	2.80
P80/P50	\$	1.55	1.54	1.60	1.59
P20/P50	\$	0.59	0.58	0.56	0.57
Gini coefficient	no.	0.312	0.323	0.346	0.337

(a) Compiled from data collected in the survey of income and housing of the year following the reference years. Income is equivalised disposable household income

(b) The 2002-03 and 2004-05 data have been recompiled to reflect new treatments of income, where data are available to support this calculation

(c) Wages and salaries measured for 2006-07 on a previous financial year basis, expressly include irregular overtime and irregular bonuses as well as non-cash wages and salaries and termination payments not collected in previous cycles

(d) In 2009-10 dollars, adjusted using changes in the Consumer price index

APPENDIX 3 EQUIVALISED DISPOSABLE HOUSEHOLD INCOME

EQUIVALENCE SCALES

Equivalence scales have been devised to make adjustments to the actual incomes of households in a way that enables analysis of the relative wellbeing of households of different size and composition. For example, it would be expected that a household comprising two people would normally need more income than a lone person household if the two households are to enjoy the same standard of living.

One way of adjusting for this difference in household size might be simply to divide the income of the household by the number of people within the household so that all income is presented on a per capita basis. However, such a simple adjustment assumes that all individuals have the same resource needs if they are to enjoy the same standard of living and that there are no economies of scale derived from living together.

Various calibrations, or scales, have been devised to make adjustments to the actual incomes of households in a way that recognises differences in the needs of individuals within those households and the economies that flow from sharing resources. The scales differ in their detail and complexity but commonly recognise that the extra level of resources required by larger groups of people living together is not directly proportional to the number of people in the group. They also typically recognise that children have fewer needs than adults.

When household income is adjusted according to an equivalence scale, the equivalised income can be viewed as an indicator of the economic resources available to a standardised household. For a lone person household it is equal to household income. For a household comprising more than one person, it is an indicator of the household income that would need to be received by a lone person household to enjoy the same level of economic wellbeing as the household in question.

Alternatively, equivalised household income can be viewed as an indicator of the economic resources available to each individual in a household. The latter view underpins the calculation of income distribution measures based on numbers of people, rather than numbers of households.

CHOICE OF SCALE

While there has been considerable research by statistical and other agencies trying to estimate appropriate values for equivalence scales, no single standard has emerged. In theory, there are many factors which might be taken into account when devising equivalence scales, such as recognising that people in the labour force are likely to face transport and other costs that can affect their standard of living. It might also be desirable to reflect the different needs of children at different ages, and the different cost levels faced by people living in different geographic areas. On the other hand, the tastes and preferences of people vary widely, resulting in markedly different expenditure patterns between households with similar income levels and similar composition. Furthermore, it is likely that equivalence scales that appropriately adjust incomes of low income households are not as appropriate for higher income households, and vice versa. This is because the proportion of total income spent on housing tends to fall as incomes rise, and cheaper per capita housing is a major source of economies of scale that flow from people living together.

It is therefore difficult to define, estimate and use equivalence scales which take all relevant factors into account. As a result, analysts tend to use simple equivalence scales which are chosen subjectively but are nevertheless consistent with the quantitative research that has been undertaken. A major advantage of simpler scales is that they are more transparent to the user, that is, it is easier to evaluate the assumptions being made in the equivalising process.

APPENDIX 3 EQUIVALISED DISPOSABLE HOUSEHOLD INCOME *continued*

CHOICE OF SCALE *continued*

In this publication, the 'modified OECD' equivalence scale is used. The 'modified OECD' equivalence scale has been used in more recent research work undertaken for the Organisation for Economic Co-operation and Development (OECD), has wide acceptance among Australian analysts of income distribution, and is the stated preference of key Survey of Income and Housing (SIH) users.

DERIVATION OF EQUIVALISED INCOME

Equivalised income is derived by calculating an equivalence factor according to the chosen equivalence scale, and then dividing income by the factor.

The equivalence factor derived using the 'modified OECD' equivalence scale is built up by allocating points to each person in a household. Taking the first adult in the household as having a weight of 1 point, each additional person who is 15 years or older is allocated 0.5 points, and each child under the age of 15 is allocated 0.3 points.

Equivalised household income is derived by dividing total household income by a factor equal to the sum of the equivalence points allocated to the household members. The equivalised income of a lone person household is the same as its unequivalised income. The equivalised income of a household comprising more than one person lies between the total value and the per capita value of its unequivalised income.

Equivalised household income is an indicator of the economic resources available to each member of a household. It can therefore be used for comparing the situation of individuals as well as comparing the situation of households.

When unequivalised income is negative, such as when losses incurred in a household's unincorporated business or other investments are greater than any positive income from any other sources, then equivalised income has been set to zero.

GROSS INCOME AND EQUIVALISED DISPOSABLE INCOME

The SIH collects data on households' gross income. However, disposable income, that is, gross income less the value of income tax and Medicare levy to be paid on the gross income, is a better indicator of the resources available to a household to maintain its standard of living. Therefore, for this publication, estimates of income tax payable on gross income reported in the SIH are made by means of a tax model. The tax and Medicare estimates are subtracted from gross income to give disposable income, and the equivalence factors are applied to the estimates of disposable income. Person weighted measures of income distribution are then derived from the estimates of equivalised disposable household income. (Appendix 1 describes the difference between person weighted and household weighted measures.)

Means and medians of both gross income and equivalised disposable income are shown in some tables in this publication to allow users to see the differences between data as collected and data as standardised to facilitate income distribution analysis. The following table shows the differences in income measures when calculated from data at different stages in the progression from gross household income to person weighted equivalised disposable household income.

APPENDIX 3 EQUIVALISED DISPOSABLE HOUSEHOLD INCOME *continued*

A5. GROSS INCOME TO PERSON WEIGHTED EQUIVALISED DISPOSABLE INCOME, 2009–10

		Gross household income per week	Income tax per week	Disposable household income per week	EQUIVALISED DISPOSABLE HOUSEHOLD INCOME PER WEEK	
					Household weighted	Person weighted
Percentile boundaries and percentile ratios						
P10	\$	363	na	365	332	344
P20	\$	566	na	563	389	425
P50	\$	1 320	na	1 183	698	715
P80	\$	2 498	na	2 072	1 162	1 145
P90	\$	3 316	na	2 706	1 467	1 448
P90/P10	ratio	9.14	na	7.42	4.42	4.21
P80/P20	ratio	4.42	na	3.68	2.99	2.70
Means						
All households	\$	1 688	257	1 430	834	848
One family households						
Couple family with dependent children	\$	2 442	446	1 996	889	870
One parent family with dependent children	\$	1 085	89	996	562	547
Couple only	\$	1 591	223	1 368	913	913
Other one family households	\$	2 118	282	1 836	914	938
Multiple family households	\$	2 643	309	2 334	792	773
Non-family households						
Lone person	\$	821	114	707	707	707
Group households	\$	2 025	301	1 725	980	982

na not available

GROSS INCOME AND EQUIVALISED DISPOSABLE INCOME *continued*

The first column in the table above shows measures calculated from gross household income, as collected in the SIH. The next column shows estimates of income tax to be paid on gross income, with the third column giving the resultant disposable household income.

Individuals with higher incomes will normally be expected to pay higher income tax than individuals with lower incomes, but this relationship is not as strong for households. A household with relatively high income may comprise only one individual with high income or it may include a number of individuals with relatively low income. The disposable income in the first situation will be lower than that in the second situation, and will result in a reranking of the households in the formation of percentiles. Therefore a household may fall into a different percentile in an analysis of disposable income compared to an analysis of gross income.

As would be expected, the difference between disposable income and gross income increases as income levels increase. At the upper boundary of the tenth percentile (P10), there is little difference, that is, the income tax to be paid by households with the lowest levels of gross income is negligible. In contrast, there is a \$610 per week difference between the P90 value for gross household income and the P90 value for disposable household income.

Disposable income relates to the household as a whole and the percentiles and means are calculated with respect to the numbers of households concerned. These are referred to as household weighted estimates. Equivalised disposable household income can also be household weighted (see the fourth column in the table), but since it can be viewed as a measure of the economic resources available to each individual in a household, income measures for equivalised estimates are generally based on numbers of people rather than numbers of households (see the fifth column in the table). This is referred to as person weighting and ensures that people in large households are given as much weight in the distribution as people in small households. While the ranking underlying the formation of percentiles is the same for the household and person weighted

APPENDIX 3 EQUIVALISED DISPOSABLE HOUSEHOLD INCOME *continued*

GROSS INCOME AND EQUIVALISED DISPOSABLE INCOME *continued*

estimates, the boundaries between the percentiles differ because household weighted percentile boundaries create subgroups with equal numbers of households while person weighted percentile boundaries create subgroups with equal numbers of persons. The extent to which the boundaries differ reflects the extent to which the average household size differs between percentiles.

The person weighted estimate of P10 (\$344) is higher than the household weighted estimate of P10 (\$332). This implies that the households with the lowest rankings of equivalised disposable household income tend to comprise a lower than average number of persons. In other words, the 10% of people with the lowest income make up more than the 10% of households with the lowest income.

For lone person households, the two measures of equivalised disposable income and the disposable income are the same (\$707). Equivalised disposable income for lone person households is approximately the same as disposable income, because the equivalising factor for such households is 1.0.

For all other types of household composition, equivalised disposable income is lower than disposable income, since income is adjusted to reflect household size and composition. Mean equivalised disposable income for couple only households is the same for both the household weighted and the person weighted measures since there are always two and only two persons in such households. For most other multi-person households, person weighted mean income is lower than the household weighted mean. This implies that, within each type, larger households tend to have lower equivalised household income.

APPENDIX 4 SAMPLING VARIABILITY

INTRODUCTION

The estimates in this publication are based on information obtained from the occupants of samples of dwellings. Therefore, the estimates are subject to sampling variability and may differ from the population parameters that would have been observed if information had been collected for all dwellings.

One measure of the likely uncertainty is given by the standard error estimate (SE), which indicates the extent to which a sample estimate might have varied compared to the population parameter because only a sample of dwellings was included. There are about two chances in three that the sample estimate will differ by less than one SE from the population parameter that would have been obtained if all dwellings had been enumerated, and about 19 chances in 20 that the difference will be less than two SEs. Another measure of the likely difference is the relative standard error (RSE), which is obtained by expressing the SE as a percentage of the estimate.

For estimates of population sizes, the size of the SE generally increases with the level of the estimate, so that the larger the estimate the larger the SE. However, the larger the sampling estimate the smaller the SE becomes in percentage terms (the RSE). Thus, larger sample estimates will be relatively more reliable than smaller sample estimates.

Estimates in this publication with RSEs of 25% or more are not considered reliable for most purposes. Estimates with RSEs greater than 25% but less than or equal to 50% are annotated by an asterisk to indicate they are subject to high SEs and should be used with caution. Estimates with RSEs greater than 50%, annotated by a double asterisk, are considered too unreliable for general use and should only be used to aggregate with other estimates to provide derived estimates with RSEs of less than 50%.

RSEs for all tables are provided. The RSEs have been derived using the delete-a-group jackknife method. If needed, SEs can be calculated using the estimates and RSEs.

COMPARATIVE ESTIMATES

Proportions and percentages

Proportions and percentages, which are formed from the ratio of two estimates, are also subject to sampling errors. The size of the error depends on the accuracy of both the numerator and the denominator. For proportions where the denominator is an estimate of the number of households in a grouping and the numerator is the number of households in a sub-group of the denominator group, the formula for an approximate RSE is given by:

$$RSE\% \left(\frac{x}{y} \right) = \sqrt{[RSE\%(x)]^2 - [RSE\%(y)]^2}$$

The RSE estimates for proportions listed in the publication fully calculate the effect of correlation between the numerator and the denominator.

Differences between estimates

The difference between survey estimates is also subject to sampling variability. An approximate SE of the difference between two estimates (x-y) may be calculated by the formula:

$$SE(x-y) = \sqrt{[SE(x)]^2 + [SE(y)]^2}$$

This approximation can generally be used whenever the estimates come from different samples, such as two estimates from different years or two estimates for two non-intersecting subpopulations in the one year. If the estimates come from two populations, one of which is a subpopulation of the other, the standard error is likely to be lower than that derived from this approximation.

SIGNIFICANCE TESTING

For comparing estimates between surveys, or between populations within a survey, it is useful to determine whether differences are 'real' differences between the corresponding population characteristics or simply the result of sampling variability between the survey samples. One way to examine this is to determine whether the difference between the estimates is statistically significant. This is done by calculating the standard error of the

APPENDIX 4 SAMPLING VARIABILITY *continued*

SIGNIFICANCE TESTING *continued*

difference between two estimates (x and y), using the formula above, and using that to calculate the test statistic using the formula below.

$$\frac{|x-y|}{SE(x-y)}$$

If the value of this test statistic is greater than 1.96 then there is good evidence of a statistically significant difference between the two population estimates with respect to that characteristic. Otherwise, it cannot be stated with confidence that there is a real difference between the population estimates.

APPENDIX 5 COMPARISON OF INCOME BETWEEN SIH AND THE AUSTRALIAN SYSTEM OF NATIONAL ACCOUNTS

INTRODUCTION

This publication contains estimates of the income of Australian households from data collected in the Survey of Income and Housing (SIH). The SIH estimates of income are compiled from information collected from individual households, and are used to analyse the distribution of household income across the population and to compare levels of income between various population subgroups. These analyses support the development, implementation and evaluation of social and economic policies, including the effects of the tax and transfer systems, particularly for potentially disadvantaged groups such as pensioners, one-parent families and the unemployed. The results also assist in planning services (e.g. health, housing, disability, child care, education, aged care), and have wide application in business planning, especially in the housing and retail sectors.

The Australian System of National Accounts (ASNA) also provide estimates of income, but for the household sector as a whole. The ASNA estimates of income are compiled from many sources, most of which do not provide information for different population subgroups within the household sector. The ASNA is designed to provide a systematic summary of economic activity of the Australian economy and to present a statistical picture of the structure of the economy and the detailed processes that make up domestic production and its distribution. Within the national accounting framework, the data show how the household sector relates to the corporate and government sectors in Australia and to the rest of the world.

As the SIH and ASNA estimates of household income have been developed for different purposes, there are a number of differences in the resulting estimates of income. This appendix compares income data from the two data sets and describes and quantifies some of the main scope, definitional and methodological differences between them.

Data used in comparisons

Income data from the SIH and ASNA are presented for the seven financial years from 2003–04 to 2009–10 for comparison across the two systems (Tables A6 and A7).

The SIH is conducted biennially and enumerated over a 12 month period so that the estimates of 'current' income, that is estimates of usual income being received at the time the data were collected from respondents, are representative of income patterns across the 'current' financial year. Estimates for 2003–04, 2005–06, 2007–08 and 2009–10 relate to 'current' financial year income.

The SIH also collects full year, or annual, income with respect to the 'previous' financial year. Estimates for 2004–05, 2006–07 and 2008–09 relate to 'previous' financial year income.

Current income estimates provide the most accurate information for analysis of total income and its distribution. However, data for all years are used to compare with ASNA estimates.

The ASNA are compiled quarterly and annually from many data sources, mostly statistical surveys or as by-products of government administrative processes. As only aggregate information is needed, use can be made of partial data sources and imputation. In some cases, there may be a reliable estimate for the whole economy, but less reliable indicators or assumptions are used to disaggregate the economy wide estimate into individual sector estimates. Some estimates are based on data collections that are only conducted occasionally, with estimates interpolated and extrapolated. For these reasons, initial estimates are often revised as later or more comprehensive data become available. Details are available in *Australian National Accounts: Concepts, Sources and Methods* (cat. no. 5216.0).

The ASNA estimates of income in this appendix are those from Tables 46, 59 and 60 in the publication *Australian System of National Accounts, 2009-10* (cat. no. 5204.0).

APPENDIX 5 COMPARISON OF INCOME BETWEEN SIH AND THE AUSTRALIAN SYSTEM OF NATIONAL ACCOUNTS *continued*

A6. SIH ESTIMATES OF ANNUAL HOUSEHOLD INCOME(a)

	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10
	\$b	\$b	\$b	\$b	\$b	\$b	\$b
Reported income							
Wages and salaries(b)	342	387	402	461	513	525	547
<i>Government pensions and allowances</i>							
Australian governments pensions and allowances	55	51	60	52	65	76	78
Overseas governments pensions and allowances	1	1	2	1	1	1	1
<i>Total government pensions and allowances</i>	56	52	61	53	66	77	79
Profit or loss from own unincorporated business	31	36	39	37	41	35	40
<i>Investment income</i>							
Interest	5	8	8	10	9	12	9
Dividends from own incorporated businesses	7	7	10	6	10	7	13
Dividends from shares	5	9	9	9	10	8	8
<i>Distributions from trusts</i>							
Public unit trusts(c)	na	na	na	1	1	1	1
Other trusts(c)	na	na	na	7	13	9	9
<i>Total trusts</i>	3	4	4	9	14	10	10
Silent partner income(c)	na	na	na	1	1	1	1
Profit or loss from residential property	—	-1	-1	-1	-1	-3	-2
Profit or loss from non-residential property	2	2	2	1	1	1	1
Other financial investments(d)	—	—	—	1	1	1	1
<i>Total investment income</i>	23	28	31	36	45	37	41
<i>Other income</i>							
Superannuation and life insurance pensions	13	13	14	17	21	20	22
Workers' compensation	1	1	1	1	1	1	1
Income from persons not living in the household	3	3	3	5	8	7	8
Other income nec	1	1	1	2	1	1	2
<i>Total other income</i>	18	17	20	26	32	30	33
Total reported income	469	520	553	612	696	704	740
Imputed income							
Net imputed rent from owner-occupied dwellings(e)	24	24	25	27	30	35	41
Total income	493	545	578	640	726	739	781

— nil or rounded to zero (including null cells)

na not available

(a) Estimates for 2004-05, 2006-07 and 2008-09 were derived from income data reported for the previous financial year in SIH 2005-06, SIH 2007-08 and SIH 2009-10, respectively

(b) Salary sacrificed income and non-cash benefits were imputed in 2004-05, 2006-07 and 2008-09 previous year income

(c) Public unit trust, other trust and silent partner income were collected but are not available separately in 2003-04, 2004-05 and 2005-06

(d) Includes royalties which were valued at \$0.3 billion or less each year

(e) Net imputed rent has not been estimated for 2004-05, 2006-07 and 2008-09. The average of net imputed rent for the year before and after has been used to impute these estimates. For example, the 2004-05 value of \$24 billion is the average of 2003-04 and 2005-06

APPENDIX 5 COMPARISON OF INCOME BETWEEN SIH AND THE AUSTRALIAN SYSTEM OF NATIONAL ACCOUNTS *continued*

A7. ASNA ANNUAL HOUSEHOLD INCOME

	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10
	\$b	\$b	\$b	\$b	\$b	\$b	\$b
Primary income							
Gross operating surplus - dwellings owned by persons	56	58	61	64	72	83	91
Gross mixed income	78	82	84	91	93	99	103
<i>Compensation of employees</i>							
Wages and salaries	372	401	433	476	518	536	547
Employers' social contributions	45	49	54	60	65	67	69
<i>Total compensation of employees</i>	417	451	487	536	582	603	616
<i>Property income</i>							
Interest(a)	20	21	23	27	34	33	34
Imputed interest	29	33	40	45	50	50	57
Dividends	15	18	20	24	26	24	24
Reinvested earnings	—	-1	-2	-1	-1	-1	1
Rent on natural assets(b)	—	—	—	—	—	—	—
<i>Total property income</i>	65	72	82	96	109	105	115
Total primary income	616	663	714	786	856	890	925
Secondary income							
Workers' compensation	7	7	6	6	6	9	9
Social assistance benefits	73	75	78	83	87	113	101
Non-life insurance claims	15	16	17	18	20	24	22
Current transfers to non-profit institutions	13	15	17	18	20	22	21
Other current transfers	3	3	3	4	3	3	3
Total secondary income	110	115	120	129	136	170	156
Total gross income	726	778	833	915	992	1 060	1 081

— nil or rounded to zero (including null cells)

(b) Estimated value is \$19m in each year

(a) Interest includes the cost of financial intermediation services indirectly measured

SCOPE AND MEASUREMENT DIFFERENCES

There are a number of scope and measurement differences that can be quantified between the SIH and ASNA household income systems (Table A8).

The SIH estimates of household income include two components which are not included in the income attributed to the household sector in the ASNA. Firstly, the SIH estimate includes the payments households receive from superannuation, annuities or private pensions (\$22 billion in 2009-10), whereas the ASNA includes the imputed income, such as from interest and dividends, earned by superannuation funds on behalf of their members (part of 'Imputed interest' in Table A8). Secondly, the SIH estimate includes financial support from persons not living in the household (\$8 billion in 2009-10), whereas in the ASNA sectoral accounts transfers from one household to another within Australia's economic territory will generally net out.

The ASNA household sector estimates of income also include some components which are not included in the SIH measure. The components which can be identified and deducted from the ASNA aggregate were, in total, \$195 billion in 2009-10, and include:

- employers' social contributions, that is the compulsory contributions payable by employers to secure social benefits for their employees, such as superannuation contributions and workers' compensation premiums (\$69 billion);
- imputed interest, which includes the investment income of insurance enterprises, superannuation funds and investment funds attributable to policyholders, as well as imputed interest on government unfunded superannuation arrangements (\$57 billion);
- non-life insurance claims (\$22 billion);

APPENDIX 5 COMPARISON OF INCOME BETWEEN SIH AND THE AUSTRALIAN SYSTEM OF NATIONAL ACCOUNTS *continued*

SCOPE AND MEASUREMENT DIFFERENCES *continued*

- government transfers to non-profit institutions serving households (NPISHs) such as churches and charities (\$21 billion);
- financial intermediation services indirectly measured (FISIM) on interest received, that is the imputed value of the services provided by financial institutions to depositors (\$14 billion);
- social assistance benefits not collected in SIH (\$12 billion); and
- the imputed reinvested earnings from undistributed foreign direct investment income (\$1b).

There are also quantifiable differences in the measurement of income from housing and operations of unincorporated enterprises. In the SIH, a much broader range of housing and business expenses are deducted in calculating income. To better align to the SIH measurement, for 2009–10, \$93 billion net expenses were deducted from the ASNA aggregate.

The net result of adjusting for the quantifiable differences shown in Table A8, is to bring the aggregate results closer together. In 2009–10, the adjusted SIH income was \$749 billion compared with adjusted ASNA income of \$793 billion. However, there are two remaining scope differences which cannot be easily quantified. The SIH excludes both people living in non-private dwellings and people living in very remote regions of Australia. It is estimated that this excludes approximately 3% of people living in Australia. The ASNA household sector estimates also include the activity of NPISHs. While government transfers to NPISHs can be quantified, other income received by NPISHs such as transfers from the corporate sector, investment income and income from the sale of goods and services cannot be separately identified. In total, NPISHs are estimated to contribute between 2% and 5% to total ASNA household sector income.

APPENDIX 5 COMPARISON OF INCOME BETWEEN SIH AND THE AUSTRALIAN SYSTEM OF NATIONAL ACCOUNTS *continued*

A8. ADJUSTMENT FOR SELECTED SCOPE AND MEASUREMENT DIFFERENCES

		2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10
SIH items^(a)								
Total income^(b)	\$b	493	545	578	639	725	740	781
Less								
Superannuation and life insurance pensions	\$b	13	13	14	17	21	20	22
Income from persons not living in the household	\$b	3	3	3	5	8	7	8
Other income nec	\$b	1	1	1	2	1	1	2
Adjusted SIH income	\$b	476	529	559	614	695	711	749
ASNA items								
Total gross income	\$b	726	778	833	915	992	1 060	1 081
Less								
Employers' social contributions	\$b	45	49	54	60	65	67	69
Imputed interest	\$b	29	33	40	45	50	50	57
Non-life insurance claims	\$b	15	16	17	18	20	24	22
Current transfers to non-profit institutions ^(c)	\$b	13	15	17	18	20	22	21
FISIM on interest received	\$b	7	9	10	11	13	14	14
Social assistance benefits not collected in SIH	\$b	5	6	6	6	8	9	12
Reinvested earnings	\$b	—	-1	-2	-1	-1	-1	1
Housing expenses to align ASNA income from dwellings to SIH basis	\$b	35	40	44	54	68	63	67
Business expenses to align ASNA gross mixed income to SIH basis	\$b	18	18	19	20	22	23	26
Adjusted ASNA income	\$b	558	593	628	684	729	790	793
SIH as a percent of ASNA, after adjusting for scope and measurement differences	%	85	89	89	90	95	90	94

— nil or rounded to zero (including null cells)

(a) Estimates for 2004-05, 2006-07 and 2008-09 were derived from income data reported for the previous financial year in SIH 2005-06, SIH 2007-08 and SIH 2009-10, respectively

(b) See footnotes in Table A6 for calculation of SIH total income

(c) Includes transfers from general government only

APPENDIX 5 COMPARISON OF INCOME BETWEEN SIH AND THE AUSTRALIAN SYSTEM OF NATIONAL ACCOUNTS *continued*

COMPARISON OF INCOME ITEMS

The following section compares selected individual sources of income in this publication with income items published in the ASNA, or source data available for those items.

Wages and salaries

The largest component of household income is wages and salaries. In SIH 2009–10, reported wages and salaries were \$547 billion. This estimate includes workers' compensation received directly through the payroll (estimated at \$7 billion). It does not include any wages and salaries of people living in non-private dwellings or people living in very remote regions of Australia.

ASNA estimates of wages and salaries are mainly sourced from ABS quarterly and annual surveys of businesses. In ASNA 2009–10, wages and salaries were \$547 billion. It is expected that the ASNA estimate of wages and salaries for 2009–10, and possibly earlier years, may be revised upwards as more complete data become available, in particular annual survey data.

Table A9 shows that wages and salaries in SIH and ASNA are closely aligned. This close alignment follows significant revisions to the ASNA estimates in December 2009 but also improved coverage of the SIH estimates following the implementation of revised international standards in the 2007–08 survey cycle.

A9. WAGES AND SALARIES

		2003–04	2004–05	2005–06	2006–07	2007–08	2008–09	2009–10
SIH items(a)								
Reported wages and salaries	\$b	342	387	402	461	513	525	547
Less: Workers' compensation received through payroll(b)	\$b	6	6	5	5	5	7	7
Wages and salaries	\$b	336	381	397	456	508	518	539
ASNA item								
Wages and salaries	\$b	372	401	433	476	518	536	547
SIH as a percent of ASNA	%	90	95	92	96	98	97	99

(a) Estimates for 2004–05, 2006–07 and 2008–09 were derived from income data reported from the previous financial year in SIH 2005–06, SIH 2007–08 and SIH 2009–10, respectively

(b) Estimated as ASNA workers' compensation estimates less the separately reported workers' compensation payments collected in the SIH

Australian government pensions and allowances

In the SIH, government pensions and allowances paid to Australian residents in private dwellings are collected. These estimates mainly comprise age and disability pensions, carers' and youth allowances, family tax benefits and other payments administered by Centrelink, the Department of Veterans' Affairs and the Family Assistance Office.

The related item in the ASNA is 'social assistance benefits' sourced from ABS government finance statistics which are compiled from data provided by individual government agencies to the Department of Finance and Deregulation, and state government treasuries. The scope of these payments is broader than the SIH as they include the private health insurance rebate, some education related payments made to parents to offset the cost of educating their children and many other one-off or irregular payments made by various state and Commonwealth agencies.

In 2009–10, Australian government pensions and allowances in the SIH were \$78 billion, which was lower than the ASNA estimate after adjusting for payments not collected in SIH (\$89 billion). The SIH estimates do not include pensions and allowances received by people living in non-private dwellings (e.g. nursing homes), nor by people living in very remote areas of Australia. It is estimated that in 2009–10 this may account for up to \$4 billion of the difference.

APPENDIX 5 COMPARISON OF INCOME BETWEEN SIH AND THE AUSTRALIAN SYSTEM OF NATIONAL ACCOUNTS *continued*

Australian government pensions and allowances continued

The large increase in the ASNA estimate in 2008–09 reflects the economic stimulus payments the Commonwealth government paid in that year. This is not fully reflected in the SIH estimate. As Table A10 indicates, the value of SIH pensions and allowances based on reporting of 'previous' financial year income were consistently lower than the reported 'current' financial year estimate when compared to the ASNA data. The lower 'previous' financial year estimate reflects the potential omission of supplementary or smaller payments and possible part year effects in the previous year.

A10. AUSTRALIAN GOVERNMENT PENSIONS AND ALLOWANCES

SIH item ^(a)		2003–04	2004–05	2005–06	2006–07	2007–08	2008–09	2009–10
Australian governments pensions and allowances	\$b	55	51	60	52	65	76	78
ASNA items								
Australian governments pensions and allowances	\$b	67	70	72	76	80	104	89
Equals: Social assistance benefits	\$b	73	75	78	83	87	113	101
Less: Social assistance benefits not collected in SIH ^(b)	\$b	5	6	6	6	8	9	12
SIH as a percent of ASNA	%	82	73	83	67	81	73	87

(a) Estimates for 2004–05, 2006–07 and 2008–09 were derived from income data reported for the previous financial year in SIH 2005–06, SIH 2007–08 and SIH 2009–10, respectively

(b) Includes the private health insurance rebate, some education related payments and various one-off irregular payments to households from the Commonwealth and state governments

Net business income

In the ASNA, income from production by unincorporated enterprises is referred to as gross mixed income (GMI), and is measured as income from production less intermediate consumption. Intermediate consumption consists of the value of the goods and services consumed as inputs to the production process. Other costs normally expensed in business accounts, such as interest payable on loans and depreciation, are not deducted. The ASNA estimates of GMI are compiled mainly from the business tax returns of sole proprietors, partnerships and private trusts. Royalties and income from non-residential property are included in GMI.

The SIH collects the profit or loss from unincorporated businesses from working sole proprietors and partners. The income earned by silent partners and non-working beneficiaries of businesses and other trusts is collected separately and included in investment income. To align with the ASNA concept of unincorporated business income, these sources of income, along with non-residential property income and royalties, have been included in net business income for comparison purposes, in Table A11.

Table A11 shows the individual items that relate to net business income for both ASNA and SIH. The SIH income from these selected items was \$52 billion in 2009–10, compared to the ASNA estimate of \$77 billion after adjusting GMI to remove business expenses not deducted. The higher income in ASNA may be partly due to the different classification between the ASNA and the SIH of some businesses that have a trust underlying their business operations, with the trustee listed as an incorporated entity. In the ASNA, these businesses would be classified as unincorporated enterprises whereas in the SIH, the business owners may report these businesses as incorporated enterprises (and their income included in dividend income).

The ASNA GMI estimate includes an adjustment to account for business underreporting to the Australian Taxation Office (ATO). It is possible that some businesses may also underreport their income in the SIH. In 2008–09 and 2009–10, the ASNA estimates of GMI were increased by \$7 billion to account for under reporting.

APPENDIX 5 COMPARISON OF INCOME BETWEEN SIH AND THE AUSTRALIAN SYSTEM OF NATIONAL ACCOUNTS *continued*

A11. NET BUSINESS INCOME

		2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10
SIH items(a)								
Profit or loss from own unincorporated business	\$b	31	36	39	37	41	35	40
Profit or loss from non-residential property	\$b	2	2	2	1	1	1	1
Silent partner income(b)	\$b	na	na	na	1	1	1	1
Distributions from other trusts(b)(c)	\$b	na	na	na	7	13	9	9
Total selected SIH items(d)	\$b	33	38	41	47	56	45	51
ASNA items								
Total selected ASNA items	\$b	61	64	66	70	71	76	77
Equals: Gross mixed income	\$b	78	82	84	91	93	99	103
Less: Business expenses to align gross mixed income to SIH basis	\$b	18	18	19	20	22	23	26
SIH as a percent of ASNA	%	54	59	63	67	79	60	67

na not available

(a) Estimates for 2004-05, 2006-07 and 2008-09 were derived from income data reported for the previous financial year in SIH 2005-06, SIH 2007-08 and SIH 2009-10, respectively

(b) Other trust and silent partner income were collected but are not available separately in 2003-04, 2004-05 and 2005-06

(c) Other trusts will include a small amount of income from non-business trusts such as inheritance trusts

(d) Includes royalties which were valued at \$0.3 billion or less each year

Interest

In the SIH, interest income from bank accounts, debentures and bonds is collected. Interest from cash management trusts is also collected but is not able to be separately identified from income from public unit trusts, included in dividend income. For the 'current' year, respondents are asked to estimate their expected income in the financial year. For the 'previous' year, respondents are asked to report actual interest earned.

In the ASNA, interest estimates are derived from a large number of data sources by constructing matrices of the flows of interest receivable and payable between the various sectors and subsectors of the economy. To fully account for all income flows in the economy, the ASNA estimates of interest receivable include an imputed value of the services provided by financial institutions to depositors. This is referred to as financial intermediation services indirectly measured (FISIM) and has been deducted from the ASNA estimate for comparison with SIH data as households have a concept of net income from their investment in deposits, after subtracting both direct and imputed charges. The ASNA estimates also include interest earned by unincorporated businesses and NPISHs, which cannot be separately identified or quantified.

Personal taxation data published by the ATO provide another measure of interest earned by persons in Australia. This information is the aggregated total of gross interest income reported on individual tax returns. Like the SIH interest item, income from cash management trusts and interest earned by unincorporated businesses are reported separately. The ATO interest statistic does not include interest received by persons not required to complete an individual tax return.

APPENDIX 5 COMPARISON OF INCOME BETWEEN SIH AND THE AUSTRALIAN SYSTEM OF NATIONAL ACCOUNTS *continued*

A12. INTEREST

		2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10
SIH item(a)								
<i>Interest</i>	\$b	5	8	8	10	9	12	9
ASNA items								
<i>Interest receivable (excl. FISIM)</i>	\$b	13	12	13	16	21	19	20
Equals: Interest (incl. FISIM)	\$b	20	21	23	27	34	33	34
Less: FISIM(b)	\$b	7	9	10	11	13	14	14
ATO statistics(c)								
<i>Interest</i>	\$b	8	9	10	12	14	14	nya
SIH as a percent of ASNA	%	42	60	59	58	44	65	47

nya not yet available

(b) Financial intermediation services indirectly measured

(a) Estimates for 2004-05, 2006-07 and 2008-09 were derived from income data reported for the previous financial year in SIH 2005-06, SIH 2007-08 and SIH 2009-10, respectively

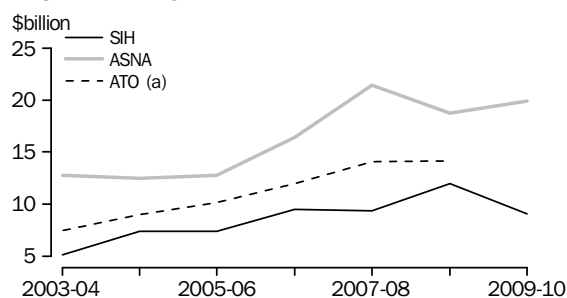
(c) Source: ATO, 2011

Interest continued

As shown in Graph A13, the SIH and ATO estimates align relatively closely. SIH estimates based on 'previous' year reporting (2004-05, 2006-07 and 2008-09) are closer to the ATO estimates than the estimates based on 'current' year reporting. This suggests that survey respondents provide a conservative estimate of expected interest in the SIH for the 'current' year, but a more accurate reporting of this income when actual interest earned is known.

The ASNA estimate of interest income, less FISIM, is substantially higher than both the SIH and ATO estimate in each year. The ASNA estimate would be expected to be higher due to the inclusion of interest received by unincorporated enterprises and NPISHs, and interest from cash management trusts.

A13. INTEREST



(a) Source: ATO, 2011

Dividends

In the SIH, dividend income comprise dividends from publicly listed companies and public unit trusts (such as equity, cash management and property trusts), as well as dividends paid to households from their own incorporated companies. Respondents are asked to include imputation credits when they report their income from dividends. In SIH 2007-08, improvements were made to the questionnaire to separately collect information about public unit trusts and other trusts. These changes significantly improved the coverage of trust income. For the years prior to 2006-07 when income from both public and private trusts was collected together, total trust income is shown in Table A14. From 2006-07, other trust income (from private trusts) is shown in net business income in Table A11.

APPENDIX 5 COMPARISON OF INCOME BETWEEN SIH AND THE AUSTRALIAN SYSTEM OF NATIONAL ACCOUNTS *continued*

Dividends continued

The ASNA estimates of dividends are based on data provided by the ATO. These differ from the SIH estimates as they do not include imputation credits, nor do they include dividends from cash management trusts. The ASNA estimates also include dividends received by NPISHs.

The ATO publishes separate estimates of income from dividends and dividend franking (imputation) credits in their statistics derived from personal tax returns.

As shown in Table A14, since 2006–07, dividend income from the SIH has been consistently lower than that estimated in the ASNA despite the inclusion in SIH of imputation credits. This can be partly attributed to the scope exclusions in SIH and the inclusion of dividends received by NPISHs in the ASNA estimate.

A14. DIVIDENDS

		2003–04	2004–05	2005–06	2006–07	2007–08	2008–09	2009–10
SIH items(a)								
Dividends from own incorporated businesses	\$b	7	7	10	6	10	7	13
Dividends from shares	\$b	5	9	9	9	10	8	8
Distributions from trusts(b)	\$b	3	4	4	na	na	na	na
Distributions from public unit trusts(b)	\$b	na	na	na	1	1	1	1
Dividends(c)	\$b	15	19	22	16	21	16	22
ASNA item								
Dividends (excl. imputation credits)	\$b	15	18	20	24	26	24	24
ATO statistics(d)								
Dividends (incl. imputation credits)	\$b	17	20	23	28	29	29	nya
Equals: Dividends	\$b	12	14	16	20	20	20	nya
Plus: Imputation credits	\$b	5	6	7	8	8	8	nya
SIH as a percent of ASNA	%	97	108	112	68	83	70	90

na not available

nya not yet available

(a) Estimates for 2004–05, 2006–07 and 2008–09 were derived from income data reported for the previous financial year in SIH 2005–06, SIH 2007–08 and SIH 2009–10, respectively

(b) Distributions from public unit trusts and other trusts have been collected separately since SIH 2007–08

(c) Includes imputation credits received from shares but not from unit trusts

(d) Source: ATO, 2011

Residential rental income

In the SIH, net profit or loss from investment properties is collected from respondents and the value of housing services accruing to owner-occupiers is imputed for the primary residence. Both estimates exclude all costs that would be borne by a landlord. The SIH estimates for residential property income will also be reported net of depreciation for some investment properties.

In the ASNA, income from residential property is presented as gross operating surplus (GOS) on dwellings owned by persons. This income includes actual rental income as well as an imputed value of housing services accruing to owner-occupiers from their occupation of both their principal residence and any additional residences such as holiday homes. GOS is calculated net of intermediate consumption costs, e.g. repairs and maintenance, the imputed service charges on finance and insurance, and body corporate fees.

To align with the SIH measurement of income from residential property, interest payable, water and sewerage costs and part of house insurance premiums have been deducted from the ASNA estimate of GOS, as shown in Table A15. However, no estimate of depreciation has been deducted from the ASNA estimates.

APPENDIX 5 COMPARISON OF INCOME BETWEEN SIH AND THE AUSTRALIAN SYSTEM OF NATIONAL ACCOUNTS *continued*

*Residential rental income
continued*

The SIH estimates of residential property income have been consistently higher than the ASNA estimates for the analysis period shown in Table A15. It would have been expected that the SIH estimate would be slightly lower than the ASNA estimate due to the scope differences between the SIH and the ASNA, as no imputation is made in SIH for second homes such as holiday houses, nor for dwellings in very remote areas. The deduction of depreciation from some investment rental properties in SIH also reduces the SIH estimates relative to the ASNA estimates.

A15. INCOME FROM RESIDENTIAL PROPERTY

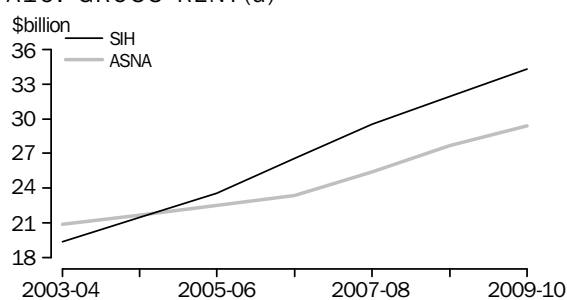
		2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10
SIH items(a)								
Net imputed rent from owner-occupied dwellings(b)	\$b	24	24	25	27	30	35	41
Profit or loss from residential property	\$b	—	-1	-1	-1	-1	-3	-2
Income from residential property	\$b	24	23	24	26	28	32	39
ASNA items								
Income from residential property	\$b	20	19	16	10	4	20	25
Equals: Gross operating surplus - dwellings owned by persons	\$b	56	58	61	64	72	83	91
Less								
Interest payable(c)	\$b	30	34	38	47	61	55	58
Insurance adjustment to SIH basis	\$b	1	1	1	2	1	2	2
Water and sewerage costs	\$b	4	4	5	5	6	6	7
SIH as a percent of ASNA	%	118	125	144	256	668	161	158

— nil or rounded to zero (including null cells)

- (a) Estimates for 2004-05, 2006-07 and 2008-09 were derived from income data reported for the previous financial year in SIH 2005-06, SIH 2007-08 and SIH 2009-10, respectively
- (b) Net imputed rent has not been estimated for 2004-05, 2006-07 and 2008-09. The average of net imputed rent for the year before and after has been used to impute these estimates. For example, the 2004-05 value of \$24 billion is the average of 2003-04 and 2005-06
- (c) Interest payable excludes FISIM which is deducted as an intermediate consumption expense in gross operating surplus on dwellings

The difference is somewhat explained by a divergence in the estimates of gross rents. The ASNA use Census data to provide rental costs and number of dwelling benchmarks. The rent component of the CPI and other factors are used to extrapolate the rental benchmarks forward, while the stock of dwellings is updated using ABS building completions data and an estimate for demolitions and other stock changes. As shown in Graph A16, the ASNA estimates of gross rents have been lower than the SIH estimates since 2005-06. It appears that the extrapolated rental estimates in the ASNA have not kept pace with the SIH estimates of changes in housing rental. The ASNA estimates may be revised upwards when the 2011 Census results and other inputs are available. A further comparison on gross rents is included in a similar confrontation of household expenditures in an appendix in *Household Expenditure Survey, Australia: Summary of Results, 2009-10* (cat. no. 6530.0).

A16. GROSS RENT (a)



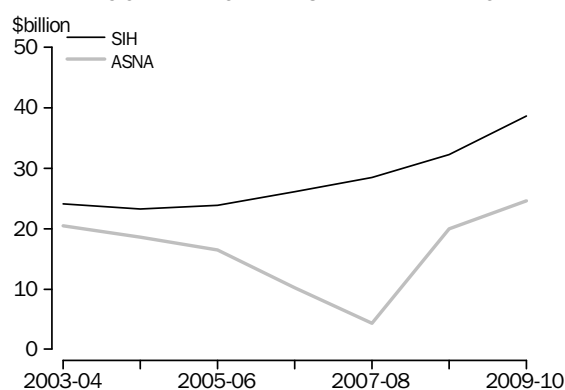
(a) Includes market and subsidised rents

APPENDIX 5 COMPARISON OF INCOME BETWEEN SIH AND THE AUSTRALIAN SYSTEM OF NATIONAL ACCOUNTS *continued*

Residential rental income continued

The lower rent estimate in ASNA than in SIH in recent years is also partly explained by differences in the reporting of interest. In the ASNA, housing mortgage interest information is supplied by loan providers. Business loans where the house has been used as collateral should not be included, but it is thought that some lenders report total mortgage interest. In the SIH, respondents are asked to report the purpose of their loan and only interest on loans used for the purchase of the dwelling has been deducted. In recent years many households have used the equity in their residential properties to purchase shares and fund consumption expenditure, particularly during the economic boom period prior to the global financial crisis (GFC) in late 2008. The rapid rise in interest rates prior to the GFC and the subsequent sharp fall in rates in the immediate aftermath are reflected in the ASNA estimates. Graph A17 illustrates the impact of rising interest rates between 2006 and 2008 on the ASNA estimate of income from residential property.

A17. INCOME FROM RESIDENTIAL PROPERTY (a)



(a) Refer to footnotes in A15

FURTHER INFORMATION

Corresponding data confrontations for expenditure and wealth are presented separately in appendices in *Household Expenditure Survey, Australia: Summary of Results, 2009–10* (cat. no. 6530.0) and in *Household Wealth and Wealth Distribution, 2009–10* (cat. no. 6554.0), respectively.

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GLOSSARY

Balance of state	That part of each Australian state or territory not defined as capital city. Balance of state estimates for Northern Territory are regarded as too unreliable to publish separately since they exclude collection districts defined as very remote which account for about 23% of the NT population. All of the Australian Capital Territory is defined as capital city for this publication.
Capital city	Refers to Australia's six state capital city Statistical Divisions and the Darwin Statistical Division as defined in the <i>Australian Standard Geographical Classification (ASGC)</i> (cat. no. 1216.0). For the Australian Capital Territory the estimates relate predominantly to urban areas, and all of the Australian Capital Territory is defined as a capital city for this publication.
Child Care Benefit (CCB)	Assistance in the form of a payment made by the Australian Government to help with the costs of child care for families who use either approved or registered child care.
Child Care Rebate (CCR)	A tax offset that allows families with a tax liability to receive a rebate of their out-of-pocket expenses incurred for approved childcare. The CCR is available for families who receive Child Care Benefit (CCB) and meet the CCB work, study and training test.
Collection District (CD)	The Census Collection District (CD) is the smallest geographic area defined in the <i>Australian Standard Geographical Classification (ASGC)</i> (cat. no. 1216.0).
Commonwealth Rent Assistance (CRA)	Commonwealth Rent Assistance is a non-taxable income supplement paid through Centrelink to individuals and families who rent in the private rental market. It is only paid to recipients of another government benefit or pension, and paid in conjunction with that other benefit.
Consumer Price Index (CPI)	A general measure of price inflation for the household sector in Australia. Specifically, it provides a measure of changes, over time, in the cost of a constant basket of goods and services acquired by the capital city households in Australia.
Cost of child care	The cost, gross of Child Care Benefit and the Child Care Rebate, to parents for a child to attend care. In most cases, where the Child Care Benefit was paid directly to the child care service provider, the cost of care was directly collected in the survey. In a small number of cases, where the Child Care Benefit was not paid directly to the provider, the Child Care Benefit was estimated.
Couple	See One family households.
Couple family with dependent children	See One family households.
Credit card debt	The amount owing on the respondent's latest credit card account statement (including any government, interest or financial institution charges), irrespective of whether it was paid off by the due date. Includes amounts owing on specialised retail shopping cards as well as general credit cards such as Visa, Mastercard and store credit cards but excludes Visa and Mastercard debit cards.
Debenture	A formal acknowledgement of indebtedness by a company. Interest is paid by the company at specific intervals. A loan or deposit can be called a debenture if it is secured over company assets. Unlike shareholders, debenture holders have a creditor relationship with the company. Instead of dividends, debenture holders receive interest on their debentures which is accounted for by the company as and expense.
Deciles	Groupings that result from ranking all households or persons in the population in ascending order according to some characteristic such as their household income and then dividing the population into 10 equal groups, each comprising 10% of the estimated population.
Dependent children	All persons aged under 15 years; and persons aged 15–24 years who are full-time students, have a parent in the household and do not have a partner or child of their own in the household.

GLOSSARY *continued*

Disposable income	Gross income less income tax, the Medicare levy and the Medicare levy surcharge i.e. remaining income after taxes are deducted, which is available to support consumption and/or saving. Income tax, Medicare levy and the Medicare levy surcharge are imputed based on each person's income and other characteristics as reported in the survey. Disposable income is sometimes referred to as net income.
Employed	Persons aged 15 years and over who, during the week before the interview: <ul style="list-style-type: none">■ worked one hour or more for pay, profit, commission or payment in kind in a job or business, or on a farm (includes employees, employers and own account workers)■ worked one hour or more, without pay, in a family business or on a family farm■ had a job, business or farm but was not at work because of holidays, sickness or other reason.
Employee	An employed person who, for most of his/her working hours: <ul style="list-style-type: none">■ works for a public or private employer and receives remuneration in wages or salary, or is paid a retainer fee by his/her employer and works on a commission basis, or works for an employer for tips, piece-rates or payment in kind■ operates their own incorporated business with or without employees.
Employer	A person who operates his or her own unincorporated business or engages independently in a profession or trade, and hires one or more employees.
Employment income	See Wages and salaries.
Equivalised disposable household income	Disposable household income adjusted using an equivalence scale. For a lone person household it is equal to disposable household income. For a household comprising more than one person, it is an indicator of the disposable household income that would need to be received by a lone person household to enjoy the same level of economic wellbeing as the household in question. For further information see Appendix 3.
Family	Two or more people, one of whom is at least 15 years of age, who are related by blood, marriage (registered or de facto), adoption, step or fostering and who usually live in the same household. A separate family is formed for each married couple, or for each set of parent-child relationships where only one parent is present.
Family composition of household	Classifies households into three broad groupings based on the number of families present (one family, multiple family and non-family). One family households are further disaggregated according to the type of family (such as couple family or one parent family) and according to whether or not dependent children are present. Non-family households are disaggregated into lone person households and group households.
First home buyer	A household which bought their dwelling in the three years prior to being interviewed, and neither the reference person nor their co-resident partner had owned or been purchasing a home previously.
Formal child care	Regulated child care away from the child's home. The main types of formal care are before and/or after school care, long day care, family day care, occasional care and vacation care.
Full-time student	A person 15 years or over who is classified as a full-time student by the institution they attend, or considers himself/herself to be a full-time student. Full-time study does not preclude employment.
Gini coefficient	A summary measure of inequality of income distribution. For further information see Appendix 1.
Government pensions and allowances	Income support payments from government to persons under social security and related government programs. Included are pensions and allowances received by aged, disabled, unemployed and sick persons, families and children, veterans or their survivors, and study allowances for students. All overseas pensions and benefits are included here, although some may not be paid by overseas governments. Family Tax Benefit, Baby

GLOSSARY *continued*

Government pensions and allowances <i>continued</i>	Bonus and Child Disability Assistance Payment paid to recipients of Carer Allowance are also included in government pensions and allowances.
Gross imputed rent	The estimated market rent that a dwelling would attract if it were to be commercially rented.
Gross income	Income from all sources, whether monetary or in kind, before income tax, the Medicare levy and the Medicare levy surcharge are deducted.
Group household	See Non-family household.
Household	A person living alone or a group of related or unrelated people who usually live in the same private dwelling.
Income	<p>Income consists of all current receipts, whether monetary or in kind, that are received by the household or by individual members of the household, and which are available for, or intended to support, current consumption.</p> <p>Income includes receipts from:</p> <ul style="list-style-type: none"> ■ wages and salaries and other receipts from employment (whether from an employer or own incorporated enterprise), including income provided as part of salary sacrificed and/or salary package arrangements ■ profit/loss from own unincorporated business (including partnerships) ■ net investment income (interest, rent, dividends, royalties) ■ government pensions and allowances ■ private transfers (e.g. superannuation, workers' compensation, income from annuities, child support, and financial support received from family members not living in the same household). <p>Gross income is the sum of the income from all these sources before income tax, the Medicare levy and the Medicare levy surcharge are deducted. Other measures of income are Disposable income and Equivalised disposable household income.</p> <p>Note that child support and other transfers from other households are not deducted from the incomes of the households making the transfers.</p>
Income unit	One person or a group of related persons within a household, whose command over income is assumed to be shared. Income sharing is assumed to take place within married (registered or de facto) couples, and between parents and dependent children.
Incorporated business	An incorporated business is a company that has a registered business name with the <i>Australian Securities and Investment Commission (ASIC)</i> and a legal status which is separate to that of the individual owners of the business.
Informal child care	Non-regulated child care, arranged by a child's parent/guardian, either in the child's home or elsewhere. It comprises care by (step) brothers or sisters, care by grandparents, care by other relatives (including a parent living elsewhere) and care by other (unrelated) people such as friends, neighbours, nannies or babysitters. It may be paid or unpaid.
Labour force status	Classifies all persons aged 15 years and over according to whether they were employed, unemployed or not in the labour force.
Landlord type	<p>For renters, the type of entity to whom rent is paid or with whom the tenure contract or arrangement is made. Renters are classified to one of the following categories:</p> <ul style="list-style-type: none"> ■ state/territory housing authority—where the household pays rent to a state or territory housing authority or trust ■ private landlords—where the household pays rent to a real estate agent or to another person not in the same household ■ other—where the household pays rent to the owner/manager of a caravan park, an employer (including a government authority), a housing cooperative, a community or church group, or any other body not included elsewhere.
Lone person household	See Non-family households.

GLOSSARY *continued*

Main source of income	That source from which the most positive income is received. If total income is nil or negative the main source is undefined. As there are several possible sources, the main source may account for less than 50% of gross income.
Mean income	The total income received by a group of units divided by the number of units in the group. For more detail about household weighted and person weighted means, see Appendix 1.
Median income	That level of income which divides the units in a group into two equal parts, one half having incomes above the median and the other half having incomes below the median. For more detail about household weighted and person weighted medians, see Appendix 1.
Medicare levy	Medicare is Australia's universal health care system. The Medicare levy is a specific tax, based on individual income, intended to assist in the funding of this system.
Medicare levy surcharge	The Medicare levy surcharge is a levy, or an additional tax, on Australian taxpayers who do not have an appropriate level of private hospital insurance and who are earning more than the specified income threshold.
Multiple family household	A household containing two or more families. Unrelated individuals may also be present.
Negative income	Income may be negative when a loss accrues to a household as an owner or partner in unincorporated businesses, rental properties or other investment income. Losses occur when operating expenses and depreciation are greater than gross receipts.
Negative net worth	Net worth may be negative when household liabilities exceed household assets.
Net imputed rent	Gross imputed rent less housing costs. Net imputed rent is an estimate of the value of housing services that households receive from home ownership or by households paying subsidised rent or occupying their dwelling rent free. Housing costs for the purpose of calculating net imputed rent for owner-occupiers comprise: <ul style="list-style-type: none">■ rates payments (general and water)■ body corporate fees■ the interest component of repayments of loans that were obtained for the purposes of purchasing or building■ rent payments■ house insurance costs■ repair and maintenance costs.
Net worth	Net worth is the value of a household's assets less the value of its liabilities. Net worth may be negative when household liabilities exceed household assets.
Non-dependent children	Persons aged 15 years and over who: <ul style="list-style-type: none">■ do not have a spouse or offspring of their own in the household■ have a parent in the household■ are not full-time students aged 15–24 years.
Non-family household	A household that consists of unrelated persons only. Non-family households are classified to one of the following categories: <ul style="list-style-type: none">■ group household—a household consisting of two or more unrelated persons where all persons are aged 15 years and over. There are no reported couple relationships, parent-child relationships or other blood relationships in these households■ lone person household—a household consisting of a person living alone.
Not in the labour force	Persons not in the categories employed or unemployed as defined.
One family households	One family households are classified to one of the following categories: <ul style="list-style-type: none">■ couple only—two persons in a registered or de facto marriage, who usually live in the same household■ couple family with dependent children—a household consisting of a couple with at least one dependent child. The household may also include non-dependent children, other relatives and unrelated individuals

GLOSSARY *continued*

One family households <i>continued</i>	<ul style="list-style-type: none">■ one parent family with dependent children—a household comprising a lone parent with at least one dependent child. The household may also include non-dependent children, other relatives and unrelated individuals■ other one family households—a household comprising:<ul style="list-style-type: none">■ one couple with their non-dependent children only■ one couple, with or without non-dependent children, plus other relatives■ one couple, with or without non-dependent children or other relatives, plus unrelated individuals■ a lone parent with his/her non-dependent children, with or without other relatives and unrelated individuals■ two or more related individuals where the relationship is not a couple relationship or a parent-child relationship (e.g. two brothers).
One parent family with dependent children	See One family households.
Other income	Income other than wages and salaries, own unincorporated business income and government pensions and allowances. This includes income received as a result of ownership of financial assets (interest, dividends), and of non-financial assets (rent, royalties) and other current receipts from sources such as superannuation, child support, workers' compensation and scholarships. Income from rent is net of operating expenses and depreciation and may be negative when these are greater than gross receipts.
Other landlord type	Where the household pays rent to the owner/manager of a caravan park, an employer (including a government authority), a housing cooperative, a community or church group, or any other body not included elsewhere.
Other one family households	See One family households.
Other tenure type	A household which is not an owner (with or without a mortgage), or a renter. Includes rent free.
Own account worker	A person who operates his or her own unincorporated business or engages independently in a profession or trade and hires no employees.
Own unincorporated business income	The profit/loss that accrues to persons as owners of, or partners in, unincorporated businesses. Profit/loss consists of the value of gross output of the business after the deduction of operating expenses (including depreciation). Losses occur when operating expenses are greater than gross receipts and are treated as negative income.
Owner (of dwelling)	A household in which at least one member owns the dwelling in which the household members usually reside. Owners are divided into two categories—owner without a mortgage and owners with a mortgage. If there is any outstanding mortgage or loan secured against the dwelling the household is an owner with a mortgage. If there is no mortgage or loan secured against the dwelling the household is an owner without a mortgage.
Percentiles	When all households or persons in the population are ranked from the lowest to the highest on the basis of some characteristic such as their household income, they can then be divided into equal sized groups. Division into 100 groups gives percentiles. The highest value of the characteristic in the tenth percentile is denoted P10. The median or the top of the 50th percentile is denoted P50. P20, P80 and P90 denote the highest values in the 20th, 80th and 90th percentiles. Ratios of values at the top of selected percentiles, such as P90/P10, are often called percentile ratios. See Appendix 1 for information on the use of percentile ratios in analysing distributions.
Percentiles ratios	Percentile ratios summarise the relative distance between two points in a distribution. To illustrate the full spread of the income distribution, the percentile ration needs to refer to points near the extremes of the distribution, for example, the P90/P10 ratio. The P80/P20 ratio better illustrates the magnitude of the range within which the income of

GLOSSARY *continued*

the majority of households falls. The P80/P50 and P50/P20 ratios focus on comparing the ends of the income distribution with the midpoint.

Preschool	Educational and developmental programs for children in the year (or in some jurisdictions, two years) before they begin full-time primary education.
Private income	Current receipts from private organisations, including wages and salaries, income from own business, superannuation, workers' compensation, income from annuities, interest, dividends, royalties, income from rental properties, scholarships and child support.
Quintiles	Groupings that result from ranking all households or persons in the population in ascending order according to some characteristic such as their household income and then dividing the population into five equal groups, each comprising 20% of the estimated population.
Ratio of household incomes at top of selected income percentiles	See Percentiles.
Reference person	<p>The reference person for each household is chosen by applying, to all household members aged 15 years and over, the selection criteria below, in the order listed, until a single appropriate reference person is identified:</p> <ul style="list-style-type: none">■ the person with the highest tenure when ranked as follows: owner without a mortgage, owner with a mortgage, renter, other tenure■ one of the partners in a registered or de facto marriage, with dependent children■ one of the partners in a registered or de facto marriage, without dependent children■ a lone parent with dependent children■ the person with the highest income■ the eldest person.
Relative standard error (RSE)	<p>The standard error expressed as a percentage of the estimate for which it was calculated. It is a measure which is independent of both the size of the sample, and the unit of measurement and as a result, can be used to compare the reliability of different estimates. The smaller an estimate's RSE, the more likely it is that the estimate is a good proxy for that which would have been obtained if the whole population had been surveyed. For further information see Appendix 4.</p>
Renter	A household which pays rent to reside in the dwelling. See further classification by Landlord type.
Salary packaging	An arrangement for the employer to remunerate the employee with a combination of cash wages and salaries and one or more non-cash benefits, to the value of the employee's total remuneration.
Salary sacrifice	An arrangement under which an employee agrees contractually to forgo part of the remuneration, which the employee would otherwise receive as wages and salaries, in return for the employer or someone associated with the employer providing benefits of a similar value.
Selected dwelling	The private dwelling selected in the sample for the survey.
Significant person	<p>Significant persons are defined as follows:</p> <ul style="list-style-type: none">■ all members of lone person or couple only households■ all parents in a couple with children household or a single parent household■ the person aged 15 years or over in a group household where one person is aged 15 years or over and the other members of the household are less than 15 years old■ 50% of the persons aged 15 years and over in all other households.
Standard error	<p>A measure of the likely difference between estimates obtained in a sample survey and estimates which would have been obtained if the whole population had been surveyed. The magnitude of the standard error associated with any survey is a function of sample design, sample size and population variability. For further information see Appendix 4.</p>

GLOSSARY *continued*

Statistical Division (SD)	The largest spatial units within each state/territory in the main structure of the <i>Australian Standard Geographical Classification (ASGC) (cat. no. 1216.0)</i> .
Study loans	Study loans are debts incurred under HELP, the government education payment scheme, and other government higher education schemes. They also include loans incurred prior to 2005 under the Higher Education Contribution Scheme (HECS) and the Student Financial Supplement Scheme (SFSS). A feature of these loans is that the obligation to repay them only exists when the student's income exceeds a threshold. The debt is also extinguished upon death.
Tenure type	The nature of a household's legal right to occupy the dwelling in which the household members usually reside. Tenure is determined according to whether the household owns the dwelling outright, owns the dwelling but has a mortgage or loan secured against it, is paying rent to live in the dwelling or has some other arrangement to occupy the dwelling.
Trusts	Any type of managed fund which involves the pooling of investors' money in order for a trustee or professional manager to administer that fund. Examples include listed and unlisted public unit trusts, cash management trusts, property trusts and family trusts used only for investment purposes.
Unemployed	Persons aged 15 years and over who were not employed during the week before the interview and had actively looked for full-time or part-time work at any time in the four weeks before the interview and: <ul style="list-style-type: none">■ were available for work in the week before the interview■ were waiting to start a new job within four weeks from the interview and would have started in the week before the interview if the job had been available then.
Unincorporated business	A business in which the owner(s) and the business are the same legal entity, so that, for example, the owner(s) are personally liable for any business debts that are incurred.
Wages and salaries	An employee's total remuneration, whether monetary or in kind, received as a return to labour from an employer or from a person's own incorporated business. It comprises wages and salaries, bonuses, amounts salary sacrificed, non-cash benefits such as the use of motor vehicles and subsidised housing, and termination payments.
Wealth	See Net worth.

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