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# HOUSEHOLD INCOME AND INCOME DISTRIBUTION

AUSTRALIA

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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 Rajni Madan on Canberra (02) 6252 7457, 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 2007-08 Survey of Income and Housing (SIH). It includes estimates of the distribution of income across the population.
- CHANGES IN THIS ISSUE** Changes in the survey which have impacted on the data include:
- improvements, aligning with international statistical standards, to the collection of income statistics including to:
    - incorporate non-cash benefits provided to employees;
    - incorporate termination payments and lump sum workers compensation payments; and
    - improve the coverage of bonuses and irregular overtime payments and inter-household transfers. See Appendix 4 for more information.
  - additional housing data collected on dwelling condition, characteristics, mobility, finance and rental arrangements (see Appendix 6)
  - child care usage and costs (see table 7)
- REVISIONS** Minor errors in the processing of the 2005–06 survey results have been corrected, resulting in average weekly household gross and disposable incomes each being revised down by about \$2.
- 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.

Brian Pink  
Australian Statistician

## ABBREVIATIONS

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ABS	Australian Bureau of Statistics
ACT	Australian Capital Territory
ASNA	Australian System of National Accounts
Aust.	Australia
CD	collection district
CPI	consumer price index
CURF	confidentialised unit record file
ERP	estimated resident population
GST	goods and services tax
HES	Household Expenditure Survey
NSW	New South Wales
NT	Northern Territory
OECD	Organisation for Economic Co-operation and Development
PAYG	pay-as-you-go tax
PSI	principal source of income
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 to income from 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. The 2007–08 income estimates from the Survey of Income and Housing (SIH) presented in this publication apply the new income standards. Appendix 4 outlines the nature and impact of the changes on the income data included in this publication.

## SUMMARY OF FINDINGS *continued*

### KEY RESULTS

Some of the key income results from the 2007–08 SIH are:

- for households with middle and high income levels in 2007–08, wages and salaries were the principal source of income, while for low income households government pensions and allowances were the principal income source
- middle income households contained more people on average than both low and high income households, but contained fewer employed persons than high income households (1.6 compared to 1.9) (Table 6)
- low income households (i.e those people with household income in the second and third deciles) had on average 0.7 employed persons (Table 6)
- people living in households where the reference person was aged 65 and over had the lowest mean incomes per week \$561 (Table 13) in 2007–08
- 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 principal source of income (76% compared to 65%) (Table 12)
- people aged 65 and over who were living alone were less likely than older couples to own their own home without a mortgage (69% compared to 86%) (Table 12)
- average equivalised disposable household incomes in the capital cities in Australia were 25% above those outside the capital cities (Tables 14 and 15)
- average equivalised disposable household incomes in the Australian Capital Territory (\$1,026), in the not very remote parts of the Northern Territory (\$877), Western Australia (\$860) and were above the national average (\$811) (Table 16)
- average equivalised disposable household incomes in Tasmania and South Australia were below the national average by 19% and 8% respectively (Table 16).

### METHODOLOGICAL CHANGES AND INCOME MEASURES

Appendix 4 describes the most recent changes, made with this issue, to household income measures published by the ABS. These changes are the last in a succession of changes made over recent cycles to implement new international statistical standards for household income measurement and analysis.

The changes improve coverage of income by:

- incorporating non-cash benefits provided to employees, which adds \$43 per week to average gross household income in 2007–08 (\$18 and \$15 respectively to the 2005–06 and 2003–04 average weekly household incomes)
- incorporating termination payments and lump sum workers compensation payments, which adds \$5 per week to average gross household income in 2007–08
- incorporating irregular overtime payments, which adds \$9 per week in 2007–08
- measuring all bonuses rather than just the bonuses captured in previous surveys indistinguishably as part of the standard response to the question on regular wages and salaries, which contributes to higher average household income from this source in 2007–08 (up from \$19 per week in 2005–06 to \$32 per week in 2007–08) and
- incorporating a broader range of inter-household transfers, which contributes to higher average household income from this source in 2007–08 (up from \$4 per week in 2005–06 to \$15 per week in 2007–08).

## SUMMARY OF FINDINGS *continued*

### METHODOLOGICAL CHANGES AND INCOME MEASURES *continued*

Excluding the effects of the improved coverage in 2007–08 reduces the Gini coefficient from 0.331 to 0.319. The 0.319 measure for 2007–08 is up 5.6% on the 1994–95 measure of 0.302. While other methodological changes introduced with the 2003–04 and 2005–06 survey results have contributed to this difference, the residual movement (after methodological changes) in this summary indicator is very likely to be statistically significant. Some other indicators of income distribution show a similar pattern. As the table below shows, the income share going to first four income quintiles fell, while the share for the fifth quintile rose. While one of the three ratios of the higher percentile income levels to the lower percentiles rose significantly (the P90/P10 ratio was up by about 9%) the other two fell slightly, and there was little change in the P20/P50 ratio.

A major contributor to some of the changes in the income distribution measures in 2007–08, when compared with 2005–06, was the strong rise in wage and salary incomes (up 28%). After adjusting for the change in scope of the measures, a 22% increase remains, and is associated with the numbers of employees rising 8% (while the number of households rose only 2%), and with rising average wages and salaries.

### S1. INCOME INEQUALITY, 1994–95 AND 2007–08

	1994–95	2007–08 (excluding new coverage adjustments)
	%	%
<b>Income share</b>		
Lowest quintile	7.9	7.6
Second quintile	12.8	12.7
Third quintile	17.7	17.4
Fourth quintile	23.7	22.9
Highest quintile	37.8	39.4
Second and third deciles	10.8	10.4
<b>Precentile ratios</b>		
P90/P10	3.78	4.11
P80/P20	2.56	2.54
P80/P50	1.55	1.53
P20/P50	0.61	0.60

### HOUSEHOLD INCOME

In 2007–08, 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 \$811 per week (Table 1). There were approximately 20.6 million people living in private dwellings (Table 2).

In real terms, average equivalised disposable household income in 2007–08 (\$811) was 16% higher than in 2005–06 (\$699) reflecting in part the break in series due to the improvements in measuring income introduced in this cycle (see Appendix 4 for more information). Adjusting for this break in series the net increase was 13% between 2005–06 and 2007–08 and 50% between 1994–95 and 2007–08.

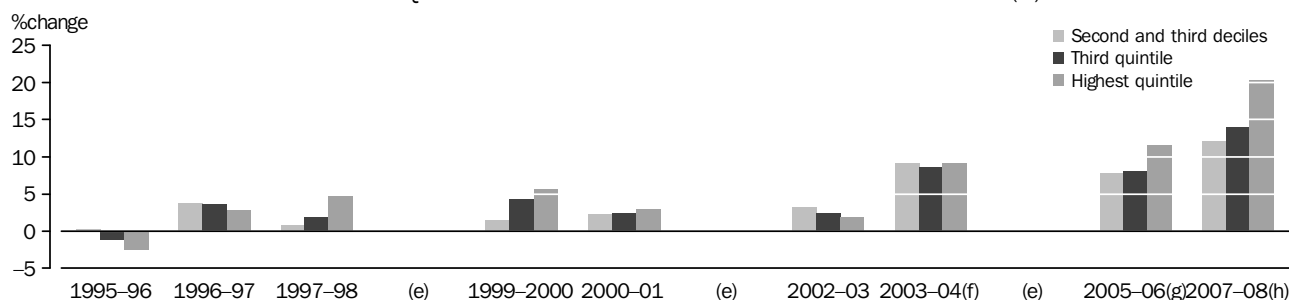
## SUMMARY OF FINDINGS *continued*

### HOUSEHOLD INCOME

*continued*

For low income people (i.e those people with household income in the second and third deciles) average equivalised disposable household income grew by 12% (\$44 per week) from 2005–06 to 2007–08 or 10% when adjusting for the break in series. For middle income people the rise was 14% (11% when adjusted for the break in series) and 20% for high income people (16% when adjusted for the break in series).

### S2. CHANGES IN MEAN REAL EQUIVALISED DISPOSABLE HOUSEHOLD INCOME (a)



(a) Change from previous survey year

(b) Persons in the second and third income deciles

(c) Persons in the middle income quintile

(d) Persons in the highest income quintile

(e) No survey was conducted in 1998–99, 2001–02 or 2004–05

(f) The 2003–04 data have been recomputed to reflect new treatments of income, where data are available to support this calculation (see 'Time series comparisons' in Appendix 4)

(g) The 2005–06 data have been recomputed to reflect new treatments of income, where data are available to support this calculation (see 'Time series comparisons' in Appendix 4)

(h) Estimates presented for 2007–08 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 recomputed to reflect the new measures of income, however not all components introduced are available to present the years on a comparable basis. See appendix 4 for further information

### 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 principal source of income (PSI) for households with middle and high income levels in 2007–08, 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*

### S3. HOUSEHOLD CHARACTERISTICS 2007–08, 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	\$	409	692	1 646
Has PSI of wages and salaries(d)	%	30.7	78.7	87.4
Has PSI of government pensions and allowances(d)	%	55.1	2.9	—
Owns home without a mortgage	%	45.8	30.3	26.9
Owns home with a mortgage	%	20.1	39.5	48.9
Rents from state/territory housing authority	%	6.5	*1.0	**0.2
Rents from private landlord	%	23.9	26.2	21.5
Average number of persons in the household	no.	2.6	2.9	2.5
Average number of employed persons in the household	no.	0.7	1.6	1.9

\* 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) Persons in the second and third income deciles

(b) Persons in the middle income quintile

(c) Persons in the highest income quintile

(d) Principal source of income (PSI)

#### *Household characteristics continued*

Middle income households contained more people on average than high income households (2.9 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 0.7 employed persons, and housed an average of 2.6 persons. Of these, 0.8 were under 18 years, 1.2 were 18 to 64 years, and 0.6 were aged 65 years and over (Table 6).

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 2.56, or about 5%, between 1994–95 and 2007–08. The proportion of couple only households increased from 23.7% to 26.5%, a higher increase than with any other family composition type. Each principal source of income retained its relative importance between 1994–95 and 2007–08, with 61.5% of households primarily dependent on wages and salaries in 2007–08. The proportion of households reliant on government pensions and allowances was 23.2% in 2007–08, down from 26.1% in 2005–06 and 28.5% in 1994–95. 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 12. Other family situations and household compositions are shown in table 11. The following table compares households in different life cycle stages.



## SUMMARY OF FINDINGS *continued*

### S4. INCOME AND HOUSEHOLD CHARACTERISTICS FOR SELECTED LIFE CYCLE GROUPS, 2007–08

	Number of households	Average number of persons	Average number of employed persons	Average number of dependent children	Proportion with government pensions and allowances as PSI (a)	Mean equivalised disposable household income per week	Proportion owning home without a mortgage
	'000	no.	no.	no.	%	\$	%
Lone person aged under 35	351.2	1.0	0.9	—	7.3	796	*3.5
Couple only, reference person under 35	390.9	2.0	1.8	—	**1.3	1 155	*1.6
Couple with dependent children only							
Eldest child under 5	430.0	3.4	1.5	1.4	*4.2	871	6.2
Eldest child 5 to 14	834.8	4.2	1.6	2.2	8.0	769	14.0
Eldest child 15 to 24	509.2	4.1	2.3	2.1	5.1	824	25.5
Couple with							
Dependent & non-dependent children only	289.2	4.8	3.0	1.6	**3.5	857	28.8
Non-dependent children only	443.1	3.3	2.3	—	8.1	989	52.7
Couple only, reference person 55 to 64	552.0	2.0	1.2	—	11.5	907	63.0
Couple only, reference person 65 and over	717.2	2.0	0.2	—	64.5	558	85.6
Lone person 65 and over	737.4	1.0	0.1	—	76.3	434	69.0
One parent, one family households with dependent children	497.7	3.0	0.9	1.8	44.8	520	8.1

\* 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) Principal source of income (PSI)

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

#### *Life cycle stages continued*

Younger couples without children had the highest mean equivalised disposable household income of \$1,155 (Table 12) per week, 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 \$871 per week (25% lower than for the young couples without children) (Table 12). 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 \$434 (Table 12) per week. This was lower than for older couple only households where the reference person was aged 65 and over and mean incomes were \$558 per week. Older lone persons were more likely than older couples to have government pensions and allowances as their principal source of income (76% compared to 65%), while older couples were more likely to fully own their home (86% compared to 69%) (Table 12).

Households comprising one parent with dependent children had a mean income of \$520 per week (Table 11), similar to that of older couples (\$558 per week) (Table 12), but only 8% fully owned their home and therefore a substantially greater proportion were making mortgage or rental payments from their income. Of these households, 45% had

## SUMMARY OF FINDINGS *continued*

*Life cycle stages continued* government pensions and allowances as their principal source of income. On average there were 0.9 employed persons in the household (Table 11).

*States and territories* There were differences in the average levels of income between the states and territories (see Table 16). However, not all the differences were large enough to be regarded as statistically significant at the 95% confidence level (see Appendix 5).

Tasmania's mean equivalised disposable household weekly income was 19% below the national average and South Australia was 8% below. In table 16, the Australian Capital Territory, the Northern Territory and Western Australia are shown to have the highest mean incomes (27%, 8%, and 6% 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 (Table 16).

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 25% above those in the balance of state (Table 14), 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. The largest differences recorded were for NSW and Queensland where the capital city incomes were 37% and 26% respectively, above the mean incomes across the rest of the state (Tables 14 and 15) .

### INCOME DISTRIBUTION

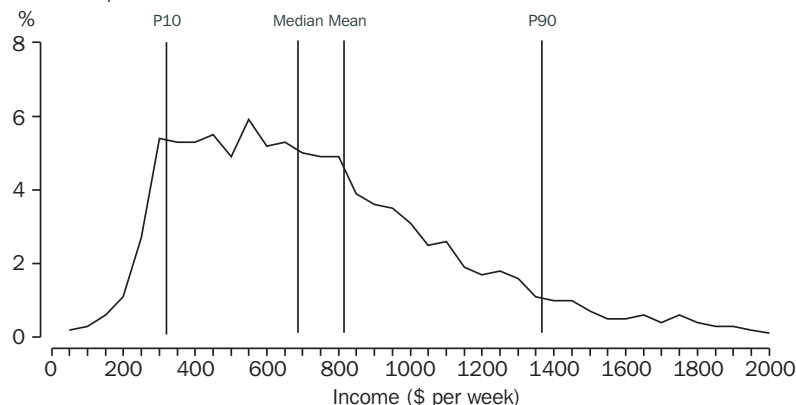
While the mean equivalised disposable household income of all households in Australia in 2007–08 was \$811 per week, the median (i.e. the midpoint when all people are ranked in ascending order of income) was somewhat lower at \$692 (shown as P50 in Table 1). This difference reflects the typically asymmetric 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.

## SUMMARY OF FINDINGS *continued*

### INCOME DISTRIBUTION

*continued*

### S5. DISTRIBUTION OF EQUIVALISED DISPOSABLE HOUSEHOLD INCOME, 2007–08



Note: Persons with an income between \$25 and \$2,025 are shown in \$50 ranges on the graph.

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 2007–08, P90 was \$1360 per week and P10 was \$317 per week, giving a P90/P10 ratio of 4.30. 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 (S6) shows that, in 2007–08, 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 40.5% 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 2007–08, the Gini coefficient was 0.331.

Some of the change in some of the income distribution measures between 2005–06 and 2007–08 reflects the most recent improvements made with the 2007–08 cycle. See Appendix 4 for further information and analysis of the impacts. 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.

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

## SUMMARY OF FINDINGS *continued*

### S6. SELECTED INCOME DISTRIBUTION INDICATORS, Equivalised disposable household income

		1994-95	1995-96	1996-97	1997-98	1999-2000	2000-01	2002-03
<b>Percentage share of total income received by persons with</b>								
Low income(a)	%	10.8	11.0	11.0	10.8	10.5	10.5	10.6
Middle income(b)	%	17.7	17.7	17.8	17.7	17.7	17.6	17.6
High income(c)	%	37.8	37.3	37.1	37.9	38.4	38.5	38.3
<b>Ratio of incomes at top of selected income percentiles</b>								
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
<b>Gini coefficient</b>	no.	0.302	0.296	0.292	0.303	0.310	0.311	0.309

(a) Persons in the second and third income deciles

(c) Persons in the top income quintile

(b) Persons in the middle income quintile

### S6. SELECTED INCOME DISTRIBUTION INDICATORS, Equivalised disposable household income *continued*

		2003-04	2005-06	2007-08(a)
<b>Percentage share of total income received by persons with</b>				
Low income(b)	%	10.6	10.4	10.1
Middle income(c)	%	17.6	17.4	17.0
High income(d)	%	38.4	39.2	40.5
<b>Ratio of incomes at top of selected income percentiles</b>				
P90/P10	ratio	3.87	4.05	4.30
P80/P20	ratio	2.55	2.58	2.63
P80/P50	ratio	1.53	1.55	1.56
P20/P50	ratio	0.60	0.60	0.59
<b>Gini coefficient</b>	no.	0.306	0.314	0.331

(a) Estimates presented for 2007-08 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, thereby reducing the comparative basis. See appendix 4 for further information

(b) Persons in the second and third income deciles

(c) Persons in the middle income quintile

(d) Persons in the top income quintile

#### 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 7, Child care, provides key child care information by specific household characteristics. The full list of data items is available as a part of the Confidentialised Unit Record File (CURF), due to be released concurrently with this publication (see explanatory notes paragraph 11 for details).

In SIH 2007-08, respondents were asked to report child care usage in the previous month. 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

## SUMMARY OF FINDINGS *continued*

### CHILD CARE *continued*

vacation care but no other formal care during a school term. For example, the number of children aged 0–12 years using formal care in the last month was estimated in the 2007–08 SIH at 836,000 (24% of children of this age) whereas the 2008 ABS Childhood Education and Care Survey (CEaCS) estimated 756,000 children (22% of this age group) usually in formal care, and a further 137,000 children attending formal care in the previous school holidays for whom no usual formal care arrangements were reported.

For informal care, the 2007–08 SIH the estimate was 1,787,000 children aged 0–12 years using care in the previous month compared with a CEaCS estimate 1,008,000 children with usual informal care arrangements. The differences were smaller for informal care arrangements that are likely to be dominated with usual care patterns e.g., for care provided by a parent living elsewhere the estimate from SIH was 207,000 children compared with CEaCS estimate of 162,000 children usually receiving informal care from a parent living elsewhere. However, where much of the care may be provided on an ad hoc basis, such as other relative care (other than grandparent), the SIH estimate was 513,000 children, compared with CEaCS estimate of 174,000.

The cost of care estimates in table 7 are shown, on a household basis, before the Child Care Benefit (or CCB which is shown separately) is deducted. For formal child care costs, the after CCB average weekly cost per child was \$68, compared with \$73 estimated from the CEaCS.

Of households with children aged 0–12 years, 67% (Table 7) used either formal or informal child care. Informal care was used by 58% of households with children of this age and 31% using formal care.

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<b>16</b>	States and territories, all households . . . . .	33

## EQUIVALISED DISPOSABLE HOUSEHOLD INCOME

Indicator		1994-95	1995-96	1996-97	1997-98	1999-2000	2000-01
<b>Mean income per week(a)</b>							
Lowest quintile	\$	204	205	216	214	216	220
Second quintile	\$	328	328	341	342	352	360
Third quintile	\$	454	449	465	473	494	505
Fourth quintile	\$	607	605	620	638	663	677
Highest quintile	\$	969	944	970	1 016	1 072	1 104
All persons	\$	512	506	522	537	559	573
Second and third deciles	\$	277	277	287	290	294	301
<b>Income per week at top of selected percentiles(a)</b>							
10th (P10)	\$	231	229	240	241	244	247
20th (P20)	\$	275	273	285	287	294	300
30th (P30)	\$	329	330	339	343	352	356
40th (P40)	\$	384	383	402	399	417	429
50th (P50)	\$	454	448	464	470	494	505
60th (P60)	\$	525	518	532	549	570	588
70th (P70)	\$	605	602	617	636	657	672
80th (P80)	\$	703	705	722	735	776	786
90th (P90)	\$	872	858	879	909	949	980
<b>Income share</b>							
Lowest quintile	%	7.9	8.1	8.3	8.0	7.7	7.7
Second quintile	%	12.8	13.0	13.1	12.8	12.6	12.6
Third quintile	%	17.7	17.7	17.8	17.7	17.7	17.6
Fourth quintile	%	23.7	23.9	23.7	23.8	23.7	23.6
Highest quintile	%	37.8	37.3	37.1	37.9	38.4	38.5
All persons	%	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
<b>Ratio of incomes at top of selected income percentiles</b>							
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
<b>Gini coefficient</b>	no.	0.302	0.296	0.292	0.303	0.310	0.311
<b>Number of households in sample</b>	no.	6 819	6 963	7 245	7 025	6 637	6 786
<b>Factor applied to adjust to 2007-08 dollars</b>	no.	0.706	0.735	0.745	0.745	0.773	0.819

(a) In 2007-08 dollars, adjusted using changes in the Consumer Price Index

<i>Indicator</i>		2002-03	2003-04(a)	2005-06(a)	2007-08(b)
<b>Mean income per week(c)</b>					
Lowest quintile	\$	225	255	272	299
Second quintile	\$	375	409	444	504
Third quintile	\$	518	562	607	692
Fourth quintile	\$	695	740	805	922
Highest quintile	\$	1 124	1 226	1 368	1 646
All persons	\$	587	638	699	811
Second and third deciles	\$	310	339	365	409
<b>Income per week at top of selected percentiles(c)</b>					
10th (P10)	\$	251	277	292	317
20th (P20)	\$	307	338	364	410
30th (P30)	\$	375	406	444	506
40th (P40)	\$	443	484	526	596
50th (P50)	\$	516	562	605	692
60th (P60)	\$	598	640	700	793
70th (P70)	\$	695	732	801	915
80th (P80)	\$	809	862	938	1 079
90th (P90)	\$	1 003	1 074	1 179	1 360
<b>Income share</b>					
Lowest quintile	%	7.7	8.0	7.8	7.4
Second quintile	%	12.8	12.8	12.7	12.4
Third quintile	%	17.6	17.6	17.4	17.0
Fourth quintile	%	23.7	23.2	23.0	22.7
Highest quintile	%	38.3	38.4	39.2	40.5
All persons	%	100.0	100.0	100.0	100.0
Second and third deciles	%	10.6	10.6	10.4	10.1
<b>Ratio of incomes at top of selected income percentiles</b>					
P90/P10	ratio	4.00	3.87	4.05	4.30
P80/P20	ratio	2.63	2.55	2.58	2.63
P80/P50	ratio	1.57	1.53	1.55	1.56
P20/P50	ratio	0.60	0.60	0.60	0.59
<b>Gini coefficient</b>	no.	0.309	0.306	0.314	0.331
<b>Number of households in sample</b>	no.	10 211	11 361	9 961	9 345
<b>Factor applied to adjust to 2007-08 dollars</b>	no.	0.869	0.889	0.940	1.000

- (a) The 2003-04 and 2005-06 data have been recompiled to reflect new treatments of income, where data are available to support this calculation (see 'Time series comparisons' in Appendix 4)
- (b) Estimates presented for 2007-08 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 measures of income, however not all components introduced are available to present the years on a comparable basis. See appendix 4 for further information
- (c) In 2007-08 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 2003-04(a) 2005-06(a) 2007-08(b)

## NUMBER OF HOUSEHOLDS ('000)

Gross household  
income per  
week(c)

Negative income	37.8	36.8	33.3	33.3	39.5	40.1	32.1	17.6	21.4	*14.4
No income	39.2	28.7	34.0	41.2	36.1	46.0	65.5	37.2	19.8	27.8
\$1-\$99	76.5	62.1	45.0	64.3	56.1	71.9	80.3	51.0	72.7	65.6
\$100-\$199	89.9	120.0	92.8	109.7	113.8	101.3	96.6	86.3	61.9	66.2
\$200-\$299	707.8	701.3	679.3	678.0	709.7	737.8	706.3	613.8	618.6	526.5
\$300-\$399	499.8	529.2	538.3	516.7	481.7	428.5	430.1	418.0	373.2	338.0
\$400-\$499	474.6	477.3	496.4	497.0	533.5	596.9	576.5	583.9	523.0	406.4
\$500-\$599	382.2	399.8	404.0	405.6	389.1	436.1	422.9	508.8	462.4	416.4
\$600-\$799	698.2	728.2	687.7	729.1	695.5	709.8	788.2	730.2	727.2	734.0
\$800-\$999	637.0	636.7	654.9	651.6	649.5	662.5	693.8	664.2	668.8	600.2
\$1,000-\$1,199	535.1	538.7	607.6	579.6	554.5	605.6	607.8	654.2	643.8	590.9
\$1,200-\$1,399	496.8	512.2	524.1	525.1	532.1	558.0	607.0	592.8	578.6	564.0
\$1,400-\$1,599	398.1	436.6	436.1	406.6	456.4	508.5	536.0	515.6	503.8	544.7
\$1,600-\$1,799	325.8	358.0	316.3	362.2	353.6	398.7	383.3	430.0	455.9	488.3
\$1,800-\$1,999	281.2	258.6	290.4	305.8	319.1	297.7	329.5	376.6	439.0	402.9
\$2,000-\$2,499	473.9	431.6	462.7	469.7	551.8	536.6	568.9	623.9	738.9	823.9
\$2,500-\$2,999	179.1	180.3	209.7	247.3	257.3	250.2	337.7	375.4	389.2	527.4
\$3,000-\$3,999	127.0	140.2	177.5	167.7	260.9	177.6	245.5	264.9	373.1	497.1
\$4,000-\$4,999	37.4	47.2	43.5	58.4	77.9	76.3	70.3	93.3	110.7	201.7
\$5,000 or more	49.0	33.6	37.0	53.6	53.2	74.9	59.8	98.2	144.0	240.8
<b>All households</b>	<b>6 546.6</b>	<b>6 657.2</b>	<b>6 770.6</b>	<b>6 902.3</b>	<b>7 121.2</b>	<b>7 314.9</b>	<b>7 638.2</b>	<b>7 735.8</b>	<b>7 926.2</b>	<b>8 077.3</b>

## NUMBER OF PERSONS ('000)

Equivalised  
disposable  
household income  
per week(c)

No income	170.7	129.6	138.6	169.6	159.5	157.8	175.4	87.3	73.7	72.6
\$1-\$49	135.2	101.2	83.6	107.4	128.6	102.6	117.9	106.7	95.3	89.8
\$50-\$99	107.0	141.7	94.5	89.0	92.8	105.5	91.6	72.8	81.0	*51.6
\$100-\$149	198.4	245.4	199.4	222.2	197.9	200.6	194.8	126.8	94.5	84.4
\$150-\$199	423.0	498.2	374.6	413.3	425.3	389.2	314.6	213.9	165.7	186.8
\$200-\$249	1 461.4	1 406.4	1 277.7	1 140.2	1 061.1	998.9	989.8	588.6	440.6	306.6
\$250-\$299	1 876.6	1 898.7	1 948.7	1 917.9	1 868.1	1 825.0	1 725.2	1 589.0	1 288.8	902.0
\$300-\$349	1 584.0	1 678.2	1 603.7	1 714.1	1 605.3	1 665.7	1 496.2	1 507.5	1 364.0	1 139.2
\$350-\$399	1 469.8	1 570.6	1 491.4	1 562.1	1 501.7	1 313.0	1 418.3	1 424.0	1 337.1	1 053.7
\$400-\$449	1 266.5	1 308.2	1 493.4	1 282.9	1 243.7	1 383.3	1 385.6	1 203.2	1 172.2	1 195.7
\$450-\$499	1 222.2	1 213.1	1 270.4	1 139.0	1 210.3	1 185.1	1 358.7	1 353.7	1 245.2	960.9
\$500-\$599	2 347.1	2 281.8	2 399.2	2 335.9	2 290.6	2 368.8	2 368.9	2 447.5	2 466.8	2 341.6
\$600-\$699	1 765.8	1 713.6	1 767.2	1 903.6	2 072.4	2 030.1	1 994.7	2 316.0	2 132.3	2 101.2
\$700-\$799	1 181.8	1 346.9	1 442.2	1 392.6	1 448.1	1 533.7	1 639.2	1 746.6	1 985.1	2 064.4
\$800-\$899	812.4	915.5	842.0	955.3	1 101.8	1 045.5	1 200.9	1 340.9	1 552.6	1 670.5
\$900-\$999	572.5	519.4	553.2	710.0	697.1	811.0	875.5	1 039.4	1 145.4	1 385.9
\$1,000-\$1,099	356.8	288.9	394.4	384.3	505.3	533.9	662.0	652.0	845.2	1 108.0
\$1,100-\$1,399	444.3	429.3	491.3	514.9	678.5	749.3	830.6	1 056.4	1 299.2	2 030.5
\$1,400-\$1,699	110.8	99.8	110.1	196.2	167.8	209.4	256.1	356.7	554.5	834.4
\$1,700-\$1,999	*32.3	*23.2	*65.6	*40.6	95.3	105.8	95.2	169.9	245.9	418.2
\$2,000 or more	69.7	51.6	*48.3	85.2	101.2	144.6	112.0	207.9	345.7	645.1
<b>All persons</b>	<b>17 608.2</b>	<b>17 861.2</b>	<b>18 089.4</b>	<b>18 276.4</b>	<b>18 652.2</b>	<b>18 858.8</b>	<b>19 303.1</b>	<b>19 606.6</b>	<b>19 930.7</b>	<b>20 643.1</b>

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

(a) The 2003-04 and 2005-06 data have been recompiled to reflect new treatments of income, where data are available to support this calculation (see 'Time series comparisons' in Appendix 4)

(b) Estimates presented for 2007-08 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 measures of income, however not all components introduced are available to present the years on a comparable basis. See appendix 4 for further information

(c) In 2007-08 dollars, adjusted using changes in the Consumer Price Index

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

(a) Includes households with nil or negative total income

Household characteristics 2002-03 2003-04(a) 2005-06(a) 2007-08(b)

**Proportion of households with characteristic**

Principal source of household income					
Zero or negative income	%	1.2	0.6	0.5	0.4
Wages and salaries	%	58.0	57.7	59.4	61.5
Own unincorporated business income	%	6.2	6.0	6.0	5.7
Government pensions and allowances	%	26.6	27.7	26.1	23.2
Other income	%	8.1	8.1	7.9	9.2
<b>Total</b>	%	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

Contribution of government pensions and allowances to gross household income					
Nil or less than 1%	%	46.1	44.3	43.9	45.5
1% to less than 20%	%	17.2	18.5	20.2	21.3
20% to less than 50%	%	9.0	9.1	9.5	10.1
50% to less than 90%	%	7.5	8.8	8.6	8.4
90% and over	%	19.0	18.6	17.3	14.3
<b>Total(c)</b>	%	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

Tenure and landlord type					
Owner without a mortgage	%	36.4	34.9	34.3	33.2
Owner with a mortgage	%	33.1	35.1	35.0	35.1
Renter					
State/territory housing authority	%	4.9	4.9	4.7	4.5
Private landlord	%	22.0	21.2	22.0	23.9
Other landlord type	%	1.3	1.5	1.9	1.3
<b>Total renters</b>	%	<b>28.2</b>	<b>27.6</b>	<b>28.5</b>	<b>29.7</b>
Other tenure type	%	2.4	2.4	2.2	2.0
<b>Total</b>	%	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

Family composition of household					
One family households					
Couple family with dependent children	%	26.8	27.1	26.2	26.4
One parent family with dependent children	%	6.9	6.8	6.8	6.2
Couple only	%	25.4	26.1	25.8	26.5
Other one family households	%	11.2	10.4	11.5	11.6
Multiple family households	%	1.2	1.0	1.0	1.4
Non-family households					
Lone person	%	25.2	25.4	25.7	24.8
Group households	%	3.2	3.2	3.0	3.2
<b>Total</b>	%	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

**Average number in household**

Employed persons	no.	1.23	1.23	1.26	1.32
Dependent children	no.	0.65	0.66	0.63	0.64
Persons					
Under 18 years	no.	0.62	0.63	0.60	0.61
18 to 64 years	no.	1.61	1.59	1.60	1.62
65 years and over	no.	0.29	0.31	0.32	0.32
<b>Total</b>	no.	<b>2.53</b>	<b>2.53</b>	<b>2.51</b>	<b>2.56</b>

**Estimated number in population**

Households					
Capital city	'000	4 831.8	4 908.2	5 026.2	5 101.9
Balance of State	'000	2 806.4	2 827.6	2 899.9	2 975.4
<b>Total</b>	'000	<b>7 638.2</b>	<b>7 735.8</b>	<b>7 926.2</b>	<b>8 077.3</b>

Persons	'000	19 303.1	19 606.6	19 930.7	20 643.1
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**Number of households in sample** no. 10 211 11 361 9 961 9 345

- (a) The 2003-04 and 2005-06 data have been recompiled to reflect new treatments of income, where data are available to support this calculation (see 'Time series comparisons' in Appendix 4)
- (b) Estimates presented for 2007-08 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 measures of income, however not all components introduced are available to present the years on a comparable basis. See appendix 4 for further information
- (c) 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	
<b>Principal source of household income</b>								
Zero or negative income	100.0	—	—	—	—	100.0	57.7	—
Wages and salaries	5.8	18.5	24.1	26.1	25.6	100.0	14 129.0	12.0
Own unincorporated business income	19.2	24.9	22.4	18.1	15.5	100.0	1 303.4	21.4
Government pensions and allowances	73.3	23.9	2.3	*0.5	—	100.0	3 712.9	50.8
Other income	20.1	23.4	22.1	14.0	20.4	100.0	1 440.1	18.1
<b>Total</b>	<b>20.0</b>	<b>20.2</b>	<b>19.9</b>	<b>20.0</b>	<b>19.9</b>	<b>100.0</b>	<b>20 643.1</b>	<b>19.9</b>
<b>Family composition of household</b>								
One family households								
Couple family with dependent children, reference person aged								
15–44	14.9	24.4	25.0	21.6	14.2	100.0	5 521.9	21.5
45 and over	11.4	20.0	24.1	23.0	21.5	100.0	3 340.5	15.9
<b>Total</b>	<b>13.6</b>	<b>22.7</b>	<b>24.6</b>	<b>22.1</b>	<b>16.9</b>	<b>100.0</b>	<b>8 862.4</b>	<b>19.4</b>
One parent family with dependent children, reference person aged								
15–44	41.4	33.2	16.5	7.2	*1.7	100.0	1 076.2	38.7
45 and over	36.6	24.3	14.6	19.1	*5.5	100.0	428.4	21.7
<b>Total</b>	<b>40.0</b>	<b>30.7</b>	<b>16.0</b>	<b>10.6</b>	<b>*2.7</b>	<b>100.0</b>	<b>1 504.7</b>	<b>33.8</b>
Couple only, reference person aged								
15–44	*3.2	5.7	9.3	30.5	51.3	100.0	1 180.4	*3.4
45–64	18.3	15.2	14.4	21.6	30.5	100.0	1 668.5	16.1
65 and over	46.9	30.7	11.4	5.1	5.9	100.0	1 434.3	48.7
<b>Total</b>	<b>23.7</b>	<b>17.8</b>	<b>12.0</b>	<b>18.5</b>	<b>28.0</b>	<b>100.0</b>	<b>4 283.2</b>	<b>23.5</b>
Other one family households, reference person aged								
15–44	*13.6	*8.5	20.0	27.6	30.3	100.0	582.3	12.2
45 and over	10.4	18.3	22.8	22.5	26.0	100.0	2 208.9	12.4
<b>Total</b>	<b>11.1</b>	<b>16.3</b>	<b>22.2</b>	<b>23.6</b>	<b>26.9</b>	<b>100.0</b>	<b>2 791.2</b>	<b>12.4</b>
Multiple family households								
Non-family households								
Lone person aged								
15–24	17.5	30.7	27.4	16.1	*8.3	100.0	107.4	*9.2
25–44	15.7	7.7	20.6	24.7	31.2	100.0	499.9	5.4
45–64	37.0	12.1	16.6	16.8	17.5	100.0	659.4	13.6
65 and over	68.9	15.9	7.5	3.8	3.8	100.0	737.4	30.4
<b>Total</b>	<b>42.4</b>	<b>13.4</b>	<b>14.9</b>	<b>14.0</b>	<b>15.4</b>	<b>100.0</b>	<b>2 004.1</b>	<b>17.5</b>
Group households								
<b>Total</b>	<b>10.5</b>	<b>10.3</b>	<b>15.7</b>	<b>29.3</b>	<b>34.2</b>	<b>100.0</b>	<b>613.9</b>	<b>11.2</b>
<b>Total</b>	<b>20.0</b>	<b>20.2</b>	<b>19.9</b>	<b>20.0</b>	<b>19.9</b>	<b>100.0</b>	<b>20 643.1</b>	<b>19.9</b>
<b>Household includes</b>								
2 or more employed persons	5.3	14.4	22.9	28.2	29.2	100.0	11 392.8	8.6
1 employed person	18.6	32.3	22.0	14.7	12.4	100.0	5 548.0	27.5
No employed person but at least 1 unemployed person	87.4	*11.9	—	**0.6	**0.1	100.0	296.6	36.5
No persons in the labour force, reference person aged								
15–44	83.6	12.3	*3.5	**0.6	—	100.0	573.2	48.7
45–64	72.6	12.7	8.2	3.7	*2.8	100.0	751.9	34.7
65 and over	58.5	25.9	8.8	3.5	3.3	100.0	2 080.7	46.2
<b>Total</b>	<b>20.0</b>	<b>20.2</b>	<b>19.9</b>	<b>20.0</b>	<b>19.9</b>	<b>100.0</b>	<b>20 643.1</b>	<b>19.9</b>
<b>Persons living in</b>								
Capital city	18.2	18.2	18.3	21.2	24.0	100.0	13 252.5	17.8
Balance of State	23.3	23.8	22.6	17.9	12.5	100.0	7 390.6	23.8
<b>Total</b>	<b>20.0</b>	<b>20.2</b>	<b>19.9</b>	<b>20.0</b>	<b>19.9</b>	<b>100.0</b>	<b>20 643.1</b>	<b>19.9</b>

\* 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)

<i>Household characteristics</i>	Mean income per week	Median income per week	P90/P10	P80/P20	P80/P50	P20/P50	Gini coefficient
	\$	\$	ratio	ratio	ratio	ratio	no.
<b>Principal source of household income</b>							
Wages and salaries	925	807	3.15	2.10	1.46	0.69	0.270
Own unincorporated business income	778	652	4.25	2.33	1.50	0.64	0.329
Government pensions and allowances	355	339	2.12	1.61	1.30	0.81	0.177
Other income	930	627	5.89	2.66	1.73	0.65	0.453
<b>Total(b)</b>	<b>811</b>	<b>692</b>	<b>4.30</b>	<b>2.63</b>	<b>1.56</b>	<b>0.59</b>	<b>0.331</b>
<b>Family composition of household</b>							
One family households							
Couple family with dependent children, reference person aged							
15-44	771	666	3.37	2.20	1.46	0.66	0.287
45 and over	874	756	3.46	2.22	1.47	0.66	0.302
<b>Total</b>	<b>810</b>	<b>705</b>	<b>3.44</b>	<b>2.23</b>	<b>1.45</b>	<b>0.65</b>	<b>0.295</b>
One parent family with dependent children, reference person aged							
15-44	494	437	3.01	2.09	1.51	0.72	0.252
45 and over	586	524	3.35	2.67	1.56	0.58	0.295
<b>Total</b>	<b>520</b>	<b>464</b>	<b>3.27</b>	<b>2.21</b>	<b>1.49</b>	<b>0.67</b>	<b>0.270</b>
Couple only, reference person aged							
15-44	1 219	1 094	2.85	1.84	1.36	0.74	0.261
45-64	958	818	5.25	2.99	1.56	0.52	0.366
65 and over	558	423	2.76	1.93	1.47	0.76	0.339
<b>Total</b>	<b>896</b>	<b>730</b>	<b>4.98</b>	<b>3.31</b>	<b>1.71</b>	<b>0.52</b>	<b>0.378</b>
Other one family households, reference person aged							
15-44	942	848	4.12	2.16	1.45	0.67	0.275
45 and over	909	781	3.50	2.21	1.49	0.68	0.297
<b>Total</b>	<b>916</b>	<b>798</b>	<b>3.65</b>	<b>2.23</b>	<b>1.49</b>	<b>0.67</b>	<b>0.293</b>
Multiple family households							
Non-family households							
Lone person aged							
15-24	634	603	3.74	1.83	1.41	0.77	0.247
25-44	926	847	5.47	2.27	1.48	0.65	0.311
45-64	754	612	6.18	3.84	1.69	0.44	0.439
65 and over	434	323	2.68	1.92	1.64	0.86	0.298
<b>Total</b>	<b>673</b>	<b>528</b>	<b>4.77</b>	<b>3.46</b>	<b>1.83</b>	<b>0.53</b>	<b>0.401</b>
Group households							
<b>Total</b>	<b>811</b>	<b>692</b>	<b>4.30</b>	<b>2.63</b>	<b>1.56</b>	<b>0.59</b>	<b>0.331</b>
<b>Household includes</b>							
2 or more employed persons	980	855	3.12	2.07	1.45	0.70	0.273
1 employed person	727	595	3.43	2.15	1.51	0.70	0.320
No employed person but at least 1 unemployed person	292	290	3.00	1.74	1.32	0.76	0.220
No persons in the labour force, reference person aged							
15-44	333	327	2.01	1.55	1.23	0.79	0.189
45-64	398	327	*4.51	1.91	1.53	0.80	0.326
65 and over	470	372	2.48	1.83	1.46	0.80	0.291
<b>Total</b>	<b>811</b>	<b>692</b>	<b>4.30</b>	<b>2.63</b>	<b>1.56</b>	<b>0.59</b>	<b>0.331</b>
<b>Persons living in</b>							
Capital city	874	734	4.56	2.72	1.59	0.58	0.340
Balance of State	699	627	3.76	2.44	1.49	0.61	0.297
<b>Total</b>	<b>811</b>	<b>692</b>	<b>4.30</b>	<b>2.63</b>	<b>1.56</b>	<b>0.59</b>	<b>0.331</b>

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

(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			
<b>Income per week</b>								
Equivalised disposable household income								
Mean income	\$	299	504	692	922	1 646	811	409
Median income	\$	317	506	692	915	1 360	692	410
<b>Proportion of households with characteristic</b>								
Principal source of household income								
Zero or negative income	%	1.7	—	—	—	—	0.4	—
Wages and salaries	%	12.6	54.4	78.7	87.3	87.4	61.5	30.7
Own unincorporated business income	%	4.6	7.3	6.7	5.8	4.8	5.7	5.6
Government pensions and allowances	%	72.5	26.1	2.9	*0.8	—	23.2	55.1
Other income	%	8.6	12.2	11.7	6.1	7.9	9.2	8.6
<b>Total</b>	%	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Contribution of government pensions and allowances to gross household income								
Nil or less than 1%	%	11.8	21.8	42.1	68.6	88.2	45.5	13.4
1% to less than 20%	%	5.6	26.6	41.5	28.4	11.4	21.3	13.6
20% to less than 50%	%	8.6	27.0	14.2	2.4	*0.4	10.1	18.7
50% to less than 90%	%	18.0	19.9	1.5	*0.6	—	8.4	28.6
90% and over	%	54.3	4.7	*0.8	**0.1	—	14.3	25.7
<b>Total (a)</b>	%	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Tenure and landlord type								
Owner without a mortgage	%	45.8	39.5	30.3	20.4	26.9	33.2	45.8
Owner with a mortgage	%	14.1	27.9	39.5	50.0	48.9	35.1	20.1
Renter								
State/territory housing authority	%	14.7	3.3	*1.0	*0.6	**0.2	4.5	6.5
Private landlord	%	19.8	26.5	26.2	27.2	21.5	23.9	23.9
Other landlord type	%	2.0	*1.0	1.2	0.8	*1.2	1.3	*1.4
<b>Total renters</b>	%	<b>36.5</b>	<b>30.7</b>	<b>28.4</b>	<b>28.6</b>	<b>22.9</b>	<b>29.7</b>	<b>31.7</b>
Other tenure type	%	3.6	1.9	1.8	*1.0	1.4	2.0	2.4
<b>Total</b>	%	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Family composition of household								
One family households								
Couple family with dependent children	%	13.4	31.4	36.3	32.0	23.5	26.4	24.2
One parent family with dependent children	%	9.5	10.3	5.9	3.8	*0.9	6.2	10.4
Couple only	%	25.7	25.9	18.0	25.8	36.1	26.5	31.7
Other one family households	%	6.0	10.5	14.5	13.9	14.4	11.6	8.1
Multiple family households	%	*1.0	*2.0	*1.8	*1.3	*1.2	1.4	*1.6
Non-family households								
Lone person	%	42.9	18.3	20.8	18.2	18.5	24.8	22.1
Group households	%	1.6	*1.6	2.6	5.0	5.4	3.2	1.9
<b>Total</b>	%	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
<b>Average number in household</b>								
Employed persons	no.	0.4	1.1	1.6	1.9	1.9	1.3	0.7
Dependent children	no.	0.5	0.9	0.8	0.6	0.4	0.6	0.8
Persons								
Under 18 years	no.	0.5	0.9	0.8	0.6	0.4	0.6	0.8
18 to 64 years	no.	1.0	1.5	1.8	2.0	2.0	1.6	1.2
65 years and over	no.	0.6	0.5	0.2	0.1	0.1	0.3	0.6
<b>Total</b>	no.	<b>2.1</b>	<b>2.8</b>	<b>2.9</b>	<b>2.7</b>	<b>2.5</b>	<b>2.6</b>	<b>2.6</b>
<b>Estimated number in population</b>								
Households								
Capital city	'000	1 127.1	833.1	854.6	1 036.2	1 250.9	5 101.9	882.1
Balance of State	'000	852.9	636.4	574.3	500.7	411.2	2 975.4	708.7
<b>Total</b>	'000	<b>1 980.0</b>	<b>1 469.4</b>	<b>1 428.9</b>	<b>1 536.9</b>	<b>1 662.0</b>	<b>8 077.3</b>	<b>1 590.8</b>
Persons	'000	4 133.2	4 167.2	4 098.3	4 136.8	4 107.7	20 643.1	4 116.6
<b>Number of households in sample</b>	no.	<b>2 397</b>	<b>1 702</b>	<b>1 633</b>	<b>1 763</b>	<b>1 850</b>	<b>9 345</b>	<b>1 871</b>

\* 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 household 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	TYPE OF CHILD CARE USED				Total using care	Total not using child care	All households with children aged 0–12 years
	Formal only	Informal only	Formal and informal				
<b>Income per week</b>							
Gross household income							
Mean income	\$	1 862	1 965	2 135	2 007	1 795	1 936
Median income	\$	1 453	1 641	1 779	1 682	1 481	1 622
Equivalised disposable household income							
Mean income	\$	745	737	850	773	652	731
Median income	\$	626	645	733	674	575	639
<b>Child care costs and hours of use</b>							
Mean cost(a)	\$	155	4	130	66	..	44
Mean child care benefit (CCB)	\$	41	..	42	19	..	13
Mean usual weekly hours of child care use	hours	25	14	37	23	..	15
<b>Proportion of households with characteristic</b>							
Principal source of household income							
Zero or negative income	%	—	**0.4	—	**0.2	**0.1	**0.2
Wages and salaries	%	73.8	76.3	78.8	76.8	69.0	74.2
Own unincorporated business income	%	*7.5	7.5	5.7	6.9	8.7	7.5
Government pensions and allowances	%	15.2	13.7	13.3	13.8	19.0	15.5
Other income	%	*3.6	*2.1	*2.2	2.3	*3.2	2.6
<b>Total</b>	%	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Contribution of government pensions and allowances to gross household income							
Nil or less than 1%	%	25.9	22.2	24.8	23.5	19.2	22.1
1% to less than 20%	%	41.5	47.4	49.1	47.2	44.4	46.3
20% to less than 50%	%	18.9	17.7	13.2	16.4	18.3	17.0
50% to less than 90%	%	*6.2	6.9	7.0	6.8	8.1	7.3
90% and over	%	*7.4	5.4	*5.9	5.8	9.9	7.2
<b>Total (b)</b>	%	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Tenure and landlord type							
Owner without a mortgage	%	*5.2	12.8	6.9	9.8	13.0	10.9
Owner with a mortgage	%	55.0	57.8	60.9	58.4	47.8	54.9
Renter							
State/territory housing authority	%	*2.1	5.5	*2.3	4.0	5.6	4.5
Private landlord	%	36.3	21.5	29.0	26.0	29.8	27.3
Other landlord type	%	**1.3	*0.9	**0.7	*0.9	*2.3	1.4
<b>Total renters</b>	%	<b>39.7</b>	<b>27.9</b>	<b>32.0</b>	<b>30.9</b>	<b>37.7</b>	<b>33.2</b>
Other tenure type	%	—	*1.5	**0.2	*0.8	*1.6	1.1
<b>Total</b>	%	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Family composition of household							
One family households							
Couple family							
Both employed	%	44.3	51.6	60.4	53.5	38.5	48.5
One employed	%	33.1	23.6	15.3	22.2	37.6	27.4
Neither employed	%	*3.1	*2.3	**0.6	1.9	4.6	2.8
One parent family							
Parent employed	%	11.5	11.2	14.1	12.2	4.2	9.5
Parent not employed	%	*8.0	6.9	5.3	6.5	10.5	7.8
Other one family households							
Multiple family households	%	—	*4.4	*4.2	3.7	*4.6	4.0
<b>Total</b>	%	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
<b>Estimated number in population</b>							
Households	'000	182.6	704.6	433.1	1 320.4	658.3	1 978.7
Persons	'000	704.0	2 915.4	1 647.1	5 266.5	2 862.6	8 129.1
<b>Number of households in sample</b>							
	no.	213	819	506	1 538	745	2 283

\* 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

.. not applicable

— nil or rounded to zero (including null cells)

(a) Includes child care benefit

(b) Includes households with nil or negative total income

## PRIVATE INCOME

Household characteristics		Wages and salaries	Own unincorporated business income	Other income	Total	Government pensions and allowances	All households(a)
<b>Income per week</b>							
Gross household income							
Mean income	\$	2 098	1 758	1 557	2 007	503	1 649
Median income	\$	1 759	1 305	892	1 634	463	1 285
Equivalised disposable household income							
Mean income	\$	925	778	930	914	355	811
Median income	\$	807	652	627	781	339	692
<b>Proportion of households with characteristic</b>							
Contribution of government pensions and allowances to gross household income							
Nil or less than 1%	%	62.2	57.3	42.9	59.5	—	45.5
1% to less than 20%	%	27.5	28.4	30.2	27.9	—	21.3
20% to less than 50%	%	10.2	14.3	26.8	12.5	2.1	10.1
50% to less than 90%	%	**0.1	—	—	—	36.1	8.4
90% and over	%	—	—	—	—	61.8	14.3
<b>Total</b>	%	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Tenure and landlord type							
Owner without a mortgage	%	20.7	30.4	72.2	27.6	51.5	33.2
Owner with a mortgage	%	47.3	48.1	11.4	43.0	9.1	35.1
Renter							
State/territory housing authority	%	1.3	**0.3	**0.5	1.1	15.8	4.5
Private landlord	%	28.0	18.2	13.7	25.5	18.4	23.9
Other landlord type	%	1.2	**0.8	*0.5	1.1	2.0	1.3
<b>Total renters</b>	%	<b>30.5</b>	<b>19.3</b>	<b>14.7</b>	<b>27.8</b>	<b>36.1</b>	<b>29.7</b>
Other tenure type	%	1.5	*2.2	*1.7	1.6	3.3	2.0
<b>Total</b>	%	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Family composition of household							
One family households							
Couple family with dependent children	%	35.5	36.2	8.1	32.3	7.1	26.4
One parent family with dependent children	%	4.7	*3.3	3.2	4.4	11.9	6.2
Couple only	%	22.3	29.5	45.8	25.7	29.2	26.5
Other one family households	%	14.2	10.1	6.2	12.9	7.2	11.6
Multiple family households	%	1.6	**1.2	**0.9	1.5	*1.1	1.4
Non-family households							
Lone person	%	17.4	18.1	33.1	19.4	42.4	24.8
Group households	%	4.2	*1.5	2.7	3.8	1.2	3.2
<b>Total</b>	%	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
<b>Average number in household</b>							
Employed persons	no.	1.8	1.8	0.4	1.7	0.2	1.3
Dependent children	no.	0.8	0.8	0.2	0.7	0.4	0.6
Persons							
Under 18 years	no.	0.7	0.8	0.2	0.7	0.4	0.6
18 to 64 years	no.	2.0	1.9	1.0	1.9	0.7	1.6
65 years and over	no.	0.1	0.1	0.8	0.2	0.8	0.3
<b>Total</b>	no.	<b>2.8</b>	<b>2.8</b>	<b>1.9</b>	<b>2.7</b>	<b>2.0</b>	<b>2.6</b>
<b>Estimated number in population</b>							
Households	'000	4 966.2	464.0	741.9	6 172.2	1 872.2	8 077.3
Persons	'000	14 129.0	1 303.4	1 440.1	16 872.5	3 712.9	20 643.1
<b>Number of households in sample</b>							
	no.	5 586	539	875	7 000	2 302	9 345

\* 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		Nil or less than 1%	1% to less than 20%	20% to less than 50%	50% to less than 90%	90% and over	All households(a)
<b>Income per week</b>							
Gross household income							
Mean income	\$	2 289	1 829	1 069	629	411	1 649
Median income	\$	1 840	1 660	999	598	337	1 285
Equivalent disposable household income							
Mean income	\$	1 140	762	515	405	309	811
Median income	\$	990	717	514	405	306	692
<b>Proportion of households with characteristic</b>							
Principal source of household income							
Zero or negative income	%	—	—	—	—	—	0.4
Wages and salaries	%	84.1	79.3	62.5	**0.4	—	61.5
Own unincorporated business income	%	7.2	7.6	8.2	—	—	5.7
Government pensions and allowances	%	—	—	4.9	99.6	100.0	23.2
Other income	%	8.7	13.0	24.5	—	—	9.2
<b>Total</b>	%	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Tenure and landlord type							
Owner without a mortgage	%	25.2	27.5	39.7	58.9	47.6	33.2
Owner with a mortgage	%	43.0	50.9	25.4	11.1	7.5	35.1
Renter							
State/territory housing authority	%	0.4	*1.2	4.5	7.6	21.0	4.5
Private landlord	%	28.5	18.9	26.9	18.7	17.6	23.9
Other landlord type	%	1.1	*0.7	*1.7	*1.3	2.4	1.3
<b>Total renters</b>	%	<b>29.9</b>	<b>20.8</b>	<b>33.1</b>	<b>27.5</b>	<b>41.1</b>	<b>29.7</b>
Other tenure type	%	1.9	*0.8	*1.8	*2.5	3.9	2.0
<b>Total</b>	%	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Family composition of household							
One family households							
Couple family with dependent children	%	19.2	59.9	32.7	8.9	5.5	26.4
One parent family with dependent children	%	1.3	6.9	15.3	14.7	9.0	6.2
Couple only	%	33.5	12.5	17.1	34.1	27.0	26.5
Other one family households	%	12.8	9.9	19.7	8.8	6.1	11.6
Multiple family households	%	0.8	2.7	*1.8	*1.6	*1.0	1.4
Non-family households							
Lone person	%	27.1	6.1	12.1	30.8	50.2	24.8
Group households	%	5.2	2.0	*1.4	*1.1	1.3	3.2
<b>Total</b>	%	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
<b>Average number in household</b>							
Employed persons	no.	1.8	1.7	1.0	0.4	—	1.3
Dependent children	no.	0.4	1.3	1.2	0.6	0.3	0.6
Persons							
Under 18 years	no.	0.3	1.2	1.1	0.5	0.3	0.6
18 to 64 years	no.	1.9	2.0	1.6	0.8	0.6	1.6
65 years and over	no.	—	0.3	0.5	0.9	0.8	0.3
<b>Total</b>	no.	<b>2.3</b>	<b>3.5</b>	<b>3.2</b>	<b>2.3</b>	<b>1.8</b>	<b>2.6</b>
<b>Estimated number in population</b>							
Households	'000	3 673.8	1 722.2	813.2	677.8	1 157.4	8 077.3
Persons	'000	8 411.8	5 979.1	2 607.1	1 529.9	2 057.5	20 643.1
<b>Number of households in sample</b>							
	no.	4 216	1 928	899	804	1 455	9 345

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— nil or rounded to zero (including null cells)

(a) Includes households with nil or negative income

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

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	
<b>Income per week</b>									
Gross household income									
Mean income	\$	1 444	2 137	553	1 502	1 231	1 345	1 025	1 649
Median income	\$	860	1 833	375	1 246	959	1 064	687	1 285
Equivalentised disposable household income									
Mean income	\$	795	902	382	754	677	701	634	811
Median income	\$	604	802	324	652	595	594	465	692
<b>Proportion of households with characteristic</b>									
Principal source of household income									
Zero or negative income	%	*0.4	*0.3	**0.2	*0.5	—	*0.4	**1.8	0.4
Wages and salaries	%	38.4	82.8	17.5	72.0	57.8	63.1	46.4	61.5
Own unincorporated business income	%	5.3	7.9	**0.4	4.4	**3.6	3.7	*6.3	5.7
Government pensions and allowances	%	36.0	6.0	80.9	17.8	35.2	28.2	37.8	23.2
Other income	%	20.0	3.0	**1.0	5.3	*3.4	4.5	*7.6	9.2
<b>Total</b>	%	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Contribution of government pensions and allowances to gross household income									
Nil or less than 1%	%	34.5	55.7	3.5	54.2	39.3	45.8	42.8	45.5
1% to less than 20%	%	17.7	30.9	*5.6	16.9	*12.2	15.0	8.5	21.3
20% to less than 50%	%	12.0	7.3	9.9	11.3	*13.2	11.2	*9.0	10.1
50% to less than 90%	%	14.9	2.7	14.0	6.6	*8.3	7.8	*10.4	8.4
90% and over	%	20.6	3.1	66.7	10.5	26.9	19.8	27.5	14.3
<b>Total (a)</b>	%	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Family composition of household									
One family households									
Couple family with dependent children	%	14.0	44.7	8.1	21.5	20.8	19.4	12.4	26.4
One parent family with dependent children	%	1.5	5.3	21.6	10.9	**9.6	12.5	*5.7	6.2
Couple only	%	39.7	23.0	8.1	17.8	14.7	16.2	22.1	26.5
Other one family households	%	15.1	10.4	8.7	9.7	*4.8	9.3	*6.7	11.6
Multiple family households	%	*0.9	1.7	**3.2	*1.4	**0.9	1.7	**0.4	1.4
Non-family households									
Lone person	%	28.1	13.8	49.6	28.8	41.1	32.5	50.0	24.8
Group households	%	0.7	1.2	*0.6	9.9	**8.2	8.4	*2.8	3.2
<b>Total</b>	%	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
<b>Average number in household</b>									
Employed persons	no.	0.9	1.8	0.4	1.4	1.0	1.2	0.9	1.3
Dependent children	no.	0.3	1.0	0.7	0.6	0.7	0.7	0.4	0.6
Persons									
Under 18 years	no.	0.2	0.9	0.7	0.6	0.7	0.7	0.4	0.6
18 to 64 years	no.	1.2	2.0	1.1	1.7	1.4	1.6	1.1	1.6
65 years and over	no.	0.8	0.1	0.3	0.1	*0.2	0.1	0.4	0.3
<b>Total</b>	no.	<b>2.2</b>	<b>3.1</b>	<b>2.1</b>	<b>2.5</b>	<b>2.3</b>	<b>2.4</b>	<b>1.9</b>	<b>2.6</b>
<b>Estimated number in population</b>									
Households	'000	2 679.2	2 835.2	365.1	1 929.5	105.3	2 399.9	163.0	8 077.3
Persons	'000	5 918.7	8 671.7	767.4	4 730.4	244.7	5 742.5	310.3	20 643.1
<b>Number of households in sample</b>	no.	<b>3 117</b>	<b>3 267</b>	<b>508</b>	<b>2 113</b>	<b>151</b>	<b>2 772</b>	<b>189</b>	<b>9 345</b>

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— 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	ONE FAMILY HOUSEHOLDS					NON-FAMILY 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	All households	
<b>Income per week</b>									
Gross household income									
Mean income	\$	2 296	1 021	1 626	2 157	2 523	806	2 053	1 649
Median income	\$	1 903	840	1 219	1 805	2 167	533	1 846	1 285
Equivalent disposable household income									
Mean income	\$	810	520	896	916	751	673	993	811
Median income	\$	705	464	730	798	695	528	930	692
<b>Proportion of households with characteristic</b>									
Principal source of household income									
Zero or negative income	%	*0.2	**0.2	*0.5	—	—	0.8	**0.1	0.4
Wages and salaries	%	82.9	47.2	51.7	75.6	70.8	43.2	80.6	61.5
Own unincorporated business income	%	7.9	*3.0	6.4	5.0	**5.1	4.2	*2.8	5.7
Government pensions and allowances	%	6.2	44.8	25.5	14.4	*18.0	39.6	8.8	23.2
Other income	%	2.8	4.7	15.9	5.0	**6.1	12.3	7.8	9.2
<b>Total</b>	%	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Contribution of government pensions and allowances to gross household income									
Nil or less than 1%	%	33.1	9.9	57.5	50.5	27.3	49.7	73.8	45.5
1% to less than 20%	%	48.4	24.0	10.1	18.3	41.0	5.2	13.2	21.3
20% to less than 50%	%	12.5	25.0	6.5	17.1	*12.6	4.9	*4.3	10.1
50% to less than 90%	%	2.8	20.0	10.8	6.4	*9.3	10.4	*3.0	8.4
90% and over	%	3.0	21.0	14.6	7.6	*9.8	29.0	5.7	14.3
<b>Total (a)</b>	%	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Tenure and landlord type									
Owner without a mortgage	%	17.7	8.1	49.7	43.3	*22.3	37.5	6.8	33.2
Owner with a mortgage	%	59.5	29.9	30.4	31.6	42.2	19.5	13.0	35.1
Renter									
State/territory housing authority	%	1.4	15.9	1.4	3.4	**10.3	9.0	*0.9	4.5
Private landlord	%	19.5	42.2	16.1	20.1	*23.9	27.7	74.2	23.9
Other landlord type	%	1.0	**2.0	0.7	*0.5	**0.8	2.2	**3.4	1.3
<b>Total renters</b>	%	<b>21.9</b>	<b>60.1</b>	<b>18.2</b>	<b>24.0</b>	<b>35.0</b>	<b>38.9</b>	<b>78.5</b>	<b>29.7</b>
Other tenure type	%	0.9	*1.9	1.7	*1.2	**0.5	4.1	*1.8	2.0
<b>Total</b>	%	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
<b>Average number in household</b>									
Employed persons	no.	2.0	0.9	1.1	2.0	2.5	0.5	1.9	1.3
Dependent children	no.	2.0	1.8	—	—	1.3	—	—	0.6
Persons									
Under 18 years	no.	1.8	1.7	—	0.1	1.3	—	—	0.6
18 to 64 years	no.	2.3	1.3	1.4	2.5	3.5	0.6	2.3	1.6
65 years and over	no.	—	—	0.6	0.4	0.3	0.4	*0.1	0.3
<b>Total</b>	no.	<b>4.2</b>	<b>3.0</b>	<b>2.0</b>	<b>3.0</b>	<b>5.1</b>	<b>1.0</b>	<b>2.4</b>	<b>2.6</b>
<b>Estimated number in population</b>									
Households	'000	2 129.0	497.7	2 141.6	933.4	114.0	2 004.1	257.5	8 077.3
Persons	'000	8 862.4	1 504.7	4 283.2	2 791.2	583.8	2 004.1	613.9	20 643.1
<b>Number of households in sample</b>									
	no.	2 361	672	2 562	920	83	2 480	267	9 345

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— 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		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
<b>Income per week</b>						
Gross household income						
Mean income	\$	981	2 182	2 109	2 078	2 490
Median income	\$	917	1 892	1 733	1 737	2 017
Equivalised disposable household income						
Mean income	\$	796	1 155	871	769	824
Median income	\$	759	1 045	750	663	694
<b>Proportion of households with characteristic</b>						
Principal source of household income						
Zero or negative income	%	**0.7	**0.3	—	**0.3	**0.1
Wages and salaries	%	81.2	93.3	88.3	80.6	81.5
Own unincorporated business income	%	*3.2	3.9	6.1	8.9	8.8
Government pensions and allowances	%	7.3	**1.3	*4.2	8.0	5.1
Other income	%	7.5	*1.3	*1.4	2.3	4.5
<b>Total</b>	%	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Contribution of government pensions and allowances to gross household income						
Nil or less than 1%	%	90.4	94.3	19.2	30.1	44.8
1% to less than 20%	%	**0.9	*3.6	64.1	46.8	40.7
20% to less than 50%	%	**0.6	**0.4	12.8	15.4	9.4
50% to less than 90%	%	*1.5	**0.2	*1.6	*3.6	*2.5
90% and over	%	5.8	**1.1	*2.3	3.9	*2.6
<b>Total(b)</b>	%	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Tenure and landlord type						
Owner without a mortgage	%	*3.5	*1.6	6.2	14.0	25.5
Owner with a mortgage	%	25.2	44.6	63.1	61.4	58.2
Renter						
State/territory housing authority	%	*2.5	**0.1	**0.5	*1.0	*1.0
Private landlord	%	61.9	49.6	28.0	21.1	13.5
Other landlord type	%	*2.1	*1.3	*1.4	*1.4	**0.9
<b>Total renters</b>	%	<b>66.4</b>	<b>51.0</b>	<b>29.8</b>	<b>23.5</b>	<b>15.4</b>
Other tenure type	%	4.9	*2.8	**0.8	*1.1	**1.0
<b>Total</b>	%	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
<b>Average number in household</b>						
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.	—	—	1.4	2.2	1.7
18 to 64 years	no.	1.0	2.0	2.0	2.0	2.4
65 years and over	no.	—	—	—	—	—
<b>Total</b>	no.	<b>1.0</b>	<b>2.0</b>	<b>3.4</b>	<b>4.2</b>	<b>4.1</b>
<b>Estimated number in population</b>						
Households	'000	351.2	390.9	430.0	834.8	509.2
Persons	'000	351.2	781.8	1 483.2	3 547.7	2 101.0
<b>Number of households in sample</b>						
	no.	409	434	507	1 023	510

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\*\* 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 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				
<b>Income per week</b>						
Gross household income						
Mean income	\$	2 836	2 564	1 618	916	455
Median income	\$	2 551	2 212	1 228	632	322
Equivalised disposable household income						
Mean income	\$	857	989	907	558	434
Median income	\$	781	890	735	423	323
<b>Proportion of households with characteristic</b>						
Principal source of household income						
Zero or negative income	%	**0.3	**0.1	*1.1	**0.1	—
Wages and salaries	%	88.3	81.1	55.1	4.1	*2.7
Own unincorporated business income	%	*5.0	6.1	11.6	*2.1	*1.1
Government pensions and allowances	%	**3.5	8.1	11.5	64.5	76.3
Other income	%	*2.9	*4.6	20.6	29.2	19.9
<b>Total</b>	%	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Contribution of government pensions and allowances to gross household income						
Nil or less than 1%	%	47.4	58.8	70.4	5.7	4.3
1% to less than 20%	%	42.5	17.4	11.1	16.9	10.6
20% to less than 50%	%	*7.1	16.2	6.1	12.8	9.0
50% to less than 90%	%	**2.0	*3.8	4.4	28.3	22.9
90% and over	%	**0.6	*3.6	6.8	36.2	53.1
<b>Total(b)</b>	%	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Tenure and landlord type						
Owner without a mortgage	%	28.8	52.7	63.0	85.6	69.0
Owner with a mortgage	%	57.6	41.3	29.7	6.0	3.1
Renter						
State/territory housing authority	%	*3.2	**0.5	*0.5	*2.5	11.1
Private landlord	%	*9.6	5.4	5.6	3.8	10.4
Other landlord type	%	—	**0.2	**0.5	**0.1	*2.4
<b>Total renters</b>	%	<b>12.8</b>	<b>6.1</b>	<b>6.7</b>	<b>6.4</b>	<b>23.8</b>
Other tenure type	%	**0.7	—	**0.6	*2.0	4.1
<b>Total</b>	%	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
<b>Average number in household</b>						
Employed persons	no.	3.0	2.3	1.2	0.2	0.1
Dependent children	no.	1.6	—	—	—	—
Persons						
Under 18 years	no.	1.4	—	—	—	—
18 to 64 years	no.	3.3	2.9	1.9	0.2	—
65 years and over	no.	—	0.4	0.1	1.8	1.0
<b>Total</b>	no.	<b>4.8</b>	<b>3.3</b>	<b>2.0</b>	<b>2.0</b>	<b>1.0</b>
<b>Estimated number in population</b>						
Households	'000	289.2	443.1	552.0	717.2	737.4
Persons	'000	1 380.6	1 475.4	1 104.0	1 434.3	737.4
<b>Number of households in sample</b>						
	no.	262	407	697	859	930

\* 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 life cycle groups included here are a selection of single person and single family households

(b) Includes households with nil or negative total income

<i>Household characteristics</i>		15-24	25-34	35-44	45-54	55-64	65 and over	All households
<b>Income per week</b>								
Gross household income								
Mean income	\$	1 322	1 780	2 030	2 078	1 666	816	1 649
Median income	\$	1 147	1 562	1 657	1 725	1 240	537	1 285
Equivalentised disposable household income								
Mean income	\$	756	829	837	885	883	561	811
Median income	\$	733	727	711	791	705	439	692
<b>Proportion of households with characteristic</b>								
Principal source of household income								
Zero or negative income	%	**0.1	**0.2	*0.4	*0.4	*1.0	—	0.4
Wages and salaries	%	79.3	79.2	80.9	77.8	60.2	10.3	61.5
Own unincorporated business income	%	*2.1	4.9	7.1	8.2	7.6	2.0	5.7
Government pensions and allowances	%	9.5	12.0	9.4	10.0	17.4	65.5	23.2
Other income	%	8.9	3.8	2.2	3.6	13.7	22.1	9.2
<b>Total</b>	%	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Contribution of government pensions and allowances to gross household income								
Nil or less than 1%	%	72.2	57.0	47.3	59.6	57.6	5.9	45.5
1% to less than 20%	%	12.1	21.9	32.7	23.1	14.7	15.3	21.3
20% to less than 50%	%	*6.2	9.5	11.0	7.4	9.3	13.6	10.1
50% to less than 90%	%	*3.1	5.6	3.6	2.6	5.4	24.2	8.4
90% and over	%	6.4	5.7	5.0	6.9	11.8	41.0	14.3
<b>Total (a)</b>	%	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Tenure and landlord type								
Owner without a mortgage	%	**1.8	3.4	10.8	24.2	52.8	77.9	33.2
Owner with a mortgage	%	11.8	40.0	54.4	51.8	29.6	5.4	35.1
Renter								
State/territory housing authority	%	*3.4	3.0	3.6	4.6	5.1	6.3	4.5
Private landlord	%	77.8	49.9	27.0	16.9	10.6	6.7	23.9
Other landlord type	%	*1.9	1.4	*1.9	1.1	*0.8	*1.1	1.3
<b>Total renters</b>	%	<b>83.1</b>	<b>54.3</b>	<b>32.5</b>	<b>22.7</b>	<b>16.5</b>	<b>14.1</b>	<b>29.7</b>
Other tenure type	%	*3.3	2.3	2.3	1.4	*1.1	2.6	2.0
<b>Total</b>	%	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Family composition of household								
One family households								
Couple family with dependent children	%	7.6	34.1	51.3	39.0	9.7	*0.8	26.4
One parent family with dependent children	%	6.8	9.7	12.0	7.5	*0.9	*0.4	6.2
Couple only	%	24.0	22.8	12.0	17.0	40.8	41.9	26.5
Other one family households	%	11.7	6.3	4.9	15.3	20.2	11.7	11.6
Multiple family households	%	**1.1	*1.3	*1.6	1.2	*1.8	*1.3	1.4
Non-family households								
Lone person	%	30.3	18.2	15.4	18.7	25.8	43.1	24.8
Group households	%	18.4	7.6	2.8	*1.2	*0.7	*0.8	3.2
<b>Total</b>	%	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Average number in household								
Employed persons	no.	1.5	1.5	1.6	1.9	1.3	0.3	1.3
Dependent children	no.	0.2	0.8	1.4	0.9	0.2	—	0.6
Persons								
Under 18 years	no.	0.2	0.8	1.4	0.7	0.1	—	0.6
18 to 64 years	no.	1.9	1.8	1.9	2.2	2.0	0.3	1.6
65 years and over	no.	—	—	—	—	0.1	1.4	0.3
<b>Total</b>	no.	<b>2.1</b>	<b>2.7</b>	<b>3.3</b>	<b>3.0</b>	<b>2.2</b>	<b>1.7</b>	<b>2.6</b>
Estimated number in population								
Households	'000	354.1	1 338.7	1 658.3	1 663.1	1 351.8	1 711.2	8 077.3
Persons	'000	738.1	3 585.1	5 401.0	4 971.8	2 977.8	2 969.4	20 643.1
Number of households in sample	no.	420	1 464	1 908	1 958	1 566	2 029	9 345

\* 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>NSW</i>	<i>Vic.</i>	<i>Qld</i>	<i>SA</i>	<i>WA</i>	<i>Tas.</i>	<i>NT</i>	<i>ACT(a)</i>	<i>Aust.</i>
<b>Income per week</b>										
Gross household income										
Mean income	\$	1 981	1 734	1 941	1 473	1 821	1 350	1 874	2 100	1 830
Median income	\$	1 435	1 383	1 492	1 125	1 438	1 071	1 694	1 762	1 410
Equivalentised disposable household income										
Mean income	\$	912	829	913	783	886	718	887	1 026	874
Median income	\$	737	713	754	682	763	659	808	939	734
<b>Proportion of households with characteristic</b>										
Principal source of household income										
Zero or negative income	%	**0.2	*0.4	**0.6	*0.6	**0.3	—	**0.3	**0.5	0.4
Wages and salaries	%	66.8	64.8	65.9	57.7	65.9	58.3	74.0	70.9	65.2
Own unincorporated business income	%	4.8	4.4	6.1	6.3	6.1	*5.5	6.9	*3.5	5.2
Government pensions and allowances	%	19.0	19.5	18.3	25.7	19.1	28.5	16.3	11.7	19.7
Other income	%	9.1	10.8	9.1	9.8	8.5	7.7	*2.5	13.4	9.6
<b>Total</b>	%	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Contribution of government pensions and allowances to gross household income										
Nil or less than 1%	%	49.8	48.2	50.8	44.1	49.5	40.7	56.8	62.4	49.1
1% to less than 20%	%	21.6	21.7	22.1	19.2	23.1	22.9	19.5	20.5	21.6
20% to less than 50%	%	9.7	10.5	8.4	11.2	8.1	8.0	*7.1	5.1	9.5
50% to less than 90%	%	6.7	7.5	7.4	8.2	7.0	9.3	*3.9	*3.1	7.1
90% and over	%	12.0	11.7	10.7	16.7	11.9	19.2	12.4	8.4	12.2
<b>Total(b)</b>	%	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Tenure and landlord type										
Owner without a mortgage	%	28.0	34.8	31.2	32.5	31.5	39.5	17.8	30.6	31.4
Owner with a mortgage	%	36.5	33.9	36.9	38.2	36.3	32.6	36.5	40.3	36.0
Renter										
State/territory housing authority	%	5.4	2.9	3.8	8.3	4.6	9.6	*10.5	8.5	4.9
Private landlord	%	27.7	25.7	25.4	19.1	24.6	15.9	29.7	17.3	25.2
Other landlord type	%	*0.8	*1.0	*0.9	*0.7	*1.2	**2.0	*3.7	*2.5	1.0
<b>Total renters</b>	%	<b>34.0</b>	<b>29.7</b>	<b>30.1</b>	<b>28.1</b>	<b>30.4</b>	<b>27.4</b>	<b>44.0</b>	<b>28.3</b>	<b>31.1</b>
Other tenure type	%	1.5	1.6	*1.8	*1.2	*1.9	**0.5	**1.8	*0.9	1.6
<b>Total</b>	%	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Family composition of household										
One family households										
Couple family with dependent children	%	28.8	27.9	26.8	23.0	27.3	25.3	28.8	25.1	27.4
One parent family with dependent children	%	5.9	5.9	6.3	6.6	6.2	*6.6	*6.0	6.0	6.1
Couple only	%	22.1	24.1	27.7	25.4	25.5	28.1	22.0	24.4	24.3
Other one family households	%	12.6	14.4	13.3	10.5	9.8	9.9	14.4	12.0	12.6
Multiple family households	%	*2.5	*0.9	*1.3	*0.6	*1.1	**1.2	**1.8	**0.7	1.5
Non-family households										
Lone person	%	23.3	22.6	21.0	31.2	26.7	27.5	22.3	26.8	24.1
Group households	%	4.7	4.1	3.6	2.7	3.5	**1.4	*4.7	5.0	4.0
<b>Total</b>	%	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
<b>Average number in household</b>										
Employed persons	no.	1.4	1.4	1.5	1.2	1.4	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	0.6	0.7
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.	1.7	1.7	1.8	1.5	1.6	1.6	1.8	1.7	1.7
65 years and over	no.	0.3	0.3	0.3	0.3	0.3	0.3	0.2	0.2	0.3
<b>Total</b>	no.	<b>2.7</b>	<b>2.6</b>	<b>2.6</b>	<b>2.4</b>	<b>2.5</b>	<b>2.4</b>	<b>2.7</b>	<b>2.5</b>	<b>2.6</b>
<b>Estimated number in population</b>										
Households	'000	1 603.0	1 436.6	701.1	485.2	614.3	85.2	43.3	133.3	5 101.9
Persons	'000	4 283.8	3 784.2	1 839.1	1 140.5	1 550.7	204.5	116.5	333.1	13 252.5
<b>Number of households in sample</b>										
	no.	1 193	1 309	749	1 063	965	283	268	428	6 258

\* 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) Capital city estimates for the ACT relate to total ACT

(b) Includes households with nil or negative total income

<i>Household characteristics</i>		<i>NSW</i>	<i>Vic.</i>	<i>Qld</i>	<i>SA</i>	<i>WA</i>	<i>Tas.</i>	<i>Aust. (a)</i>
<b>Income per week</b>								
Gross household income								
Mean income	\$	1 244	1 366	1 443	1 171	1 539	1 133	1 339
Median income	\$	1 041	1 036	1 177	860	1 250	938	1 076
Equivalent disposable household income								
Mean income	\$	667	714	726	640	780	616	699
Median income	\$	613	593	645	583	702	531	627
<b>Proportion of households with characteristic</b>								
Principal source of household income								
Zero or negative income	%	**0.2	**0.2	*0.6	**1.0	*1.6	**0.3	*0.4
Wages and salaries	%	52.8	53.6	60.1	47.9	57.6	50.0	55.2
Own unincorporated business income	%	6.1	7.2	6.7	6.9	9.6	6.8	6.8
Government pensions and allowances	%	31.5	29.2	25.9	36.0	21.9	38.1	29.2
Other income	%	9.4	9.8	6.7	8.2	9.2	4.7	8.4
<b>Total</b>	%	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Contribution of government pensions and allowances to gross household income								
Nil or less than 1%	%	37.0	37.5	42.0	37.8	46.9	33.1	39.2
1% to less than 20%	%	21.6	21.2	21.2	17.2	19.5	17.7	20.8
20% to less than 50%	%	10.5	11.8	11.3	9.0	11.5	11.3	11.0
50% to less than 90%	%	11.4	11.2	8.9	10.6	9.8	14.5	10.6
90% and over	%	19.3	18.2	16.1	24.3	10.7	23.2	17.9
<b>Total(b)</b>	%	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Tenure and landlord type								
Owner without a mortgage	%	40.8	41.8	29.4	33.9	31.3	34.1	36.2
Owner with a mortgage	%	31.2	35.3	33.8	35.0	36.7	36.6	33.6
Renter								
State/territory housing authority	%	4.3	*5.3	*2.0	*6.0	*3.5	*4.9	3.9
Private landlord	%	19.8	14.1	29.6	20.4	20.9	18.1	21.6
Other landlord type	%	*1.5	*1.5	*2.0	**1.6	*2.3	**2.9	1.8
<b>Total renters</b>	%	<b>25.6</b>	<b>20.9</b>	<b>33.6</b>	<b>28.0</b>	<b>26.7</b>	<b>25.9</b>	<b>27.4</b>
Other tenure type	%	*2.4	*2.0	*3.1	**3.1	5.4	*3.4	2.8
<b>Total</b>	%	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Family composition of household								
One family households								
Couple family with dependent children	%	22.0	26.6	26.2	24.5	26.2	23.1	24.6
One parent family with dependent children	%	6.4	5.9	6.6	*5.1	*5.6	7.7	6.3
Couple only	%	30.4	31.2	27.9	33.8	34.7	31.0	30.2
Other one family households	%	10.7	9.4	9.8	7.2	8.5	7.6	9.7
Multiple family households	%	**1.3	**0.5	*1.9	**0.6	**1.6	**0.5	1.3
Non-family households								
Lone person	%	28.3	24.7	24.4	28.2	22.9	27.8	26.0
Group households	%	*0.9	*1.7	*3.1	**0.7	**0.6	*2.3	1.8
<b>Total</b>	%	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
<b>Average number in household</b>								
Employed persons	no.	1.1	1.3	1.3	1.1	1.4	1.1	1.2
Dependent children	no.	0.6	0.6	0.7	0.6	0.6	0.6	0.6
Persons								
Under 18 years	no.	0.6	0.6	0.7	0.6	0.6	0.6	0.6
18 to 64 years	no.	1.4	1.5	1.6	1.4	1.6	1.4	1.5
65 years and over	no.	0.4	0.4	0.3	0.4	0.3	0.4	0.4
<b>Total</b>	no.	<b>2.4</b>	<b>2.5</b>	<b>2.6</b>	<b>2.4</b>	<b>2.5</b>	<b>2.4</b>	<b>2.5</b>
<b>Estimated number in population</b>								
Households	'000	1 048.7	551.0	875.9	169.8	196.2	117.3	2 975.4
Persons	'000	2 518.8	1 380.5	2 262.1	407.5	495.0	280.3	7 390.6
<b>Number of households in sample</b>								
	no.	765	482	828	292	269	387	3 087

- \* 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 not shown separately since estimates for the NT other than Darwin are not considered reliable. See paragraph 35 of the Explanatory Notes.
- (b) Includes households with nil or negative total income



Household characteristics		NSW	Vic.	Qld	SA	WA	Tas.	NT(a)	ACT(b)	Aust.
<b>Income per week</b>										
Gross household income										
Mean income	\$	1 690	1 632	1 664	1 395	1 753	1 224	1 847	2 100	1 649
Median income	\$	1 285	1 286	1 313	1 074	1 400	975	1 669	1 762	1 285
Equivalentised disposable household income										
Mean income	\$	821	798	810	745	860	659	877	1 026	811
Median income	\$	676	689	696	648	740	576	811	939	692
<b>Proportion of households with characteristic</b>										
Principal source of household income										
Zero or negative income	%	**0.2	*0.4	*0.6	*0.7	*0.6	**0.2	**0.2	**0.5	0.4
Wages and salaries	%	61.3	61.7	62.7	55.2	63.9	53.5	74.6	70.9	61.5
Own unincorporated business income	%	5.3	5.2	6.5	6.4	7.0	6.3	5.2	*3.5	5.7
Government pensions and allowances	%	24.0	22.2	22.5	28.3	19.8	34.1	15.2	11.7	23.2
Other income	%	9.2	10.6	7.8	9.4	8.7	5.9	*4.7	13.4	9.2
<b>Total</b>	%	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Contribution of government pensions and allowances to gross household income										
Nil or less than 1%	%	44.7	45.2	45.9	42.5	48.9	36.3	56.8	62.4	45.5
1% to less than 20%	%	21.6	21.5	21.6	18.7	22.3	19.9	20.1	20.5	21.3
20% to less than 50%	%	10.0	10.9	10.0	10.7	8.9	9.9	7.8	5.1	10.1
50% to less than 90%	%	8.6	8.5	8.2	8.8	7.7	12.3	*4.1	*3.1	8.4
90% and over	%	14.9	13.5	13.7	18.7	11.6	21.5	11.0	8.4	14.3
<b>Total(c)</b>	%	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Tenure and landlord type										
Owner without a mortgage	%	33.1	36.7	30.2	32.9	31.4	36.4	18.5	30.6	33.2
Owner with a mortgage	%	34.4	34.3	35.2	37.4	36.4	34.9	37.5	40.3	35.1
Renter										
State/territory housing authority	%	5.0	3.6	2.8	7.7	4.3	6.9	*10.9	8.5	4.5
Private landlord	%	24.6	22.5	27.7	19.4	23.7	17.2	25.8	17.3	23.9
Other landlord type	%	1.1	*1.2	*1.5	*0.9	*1.4	*2.5	*5.5	*2.5	1.3
<b>Total renters</b>	%	<b>30.7</b>	<b>27.3</b>	<b>32.0</b>	<b>28.1</b>	<b>29.5</b>	<b>26.5</b>	<b>42.3</b>	<b>28.3</b>	<b>29.7</b>
Other tenure type	%	1.8	1.8	2.5	*1.7	2.8	*2.2	**1.7	*0.9	2.0
<b>Total</b>	%	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Family composition of household										
One family households										
Couple family with dependent children	%	26.1	27.5	26.5	23.4	27.0	24.0	28.7	25.1	26.4
One parent family with dependent children	%	6.1	5.9	6.5	6.2	6.0	7.2	7.9	6.0	6.2
Couple only	%	25.4	26.1	27.8	27.6	27.7	29.8	20.6	24.4	26.5
Other one family households	%	11.8	13.0	11.4	9.6	9.5	8.6	14.3	12.0	11.6
Multiple family households	%	2.0	*0.8	1.6	*0.6	*1.2	**0.8	**2.1	**0.7	1.4
Non-family households										
Lone person	%	25.3	23.2	22.9	30.4	25.7	27.7	21.8	26.8	24.8
Group households	%	3.2	3.5	3.3	2.2	2.8	*1.9	*4.5	5.0	3.2
<b>Total</b>	%	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
<b>Average number in household</b>										
Employed persons	no.	1.3	1.3	1.4	1.2	1.4	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	0.6	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.	1.6	1.7	1.6	1.5	1.6	1.5	1.8	1.7	1.6
65 years and over	no.	0.3	0.3	0.3	0.3	0.3	0.3	0.2	0.2	0.3
<b>Total</b>	no.	<b>2.6</b>	<b>2.6</b>	<b>2.6</b>	<b>2.4</b>	<b>2.5</b>	<b>2.4</b>	<b>2.7</b>	<b>2.5</b>	<b>2.6</b>
<b>Estimated number in population</b>										
Households	'000	2 651.7	1 987.6	1 576.9	655.0	810.5	202.4	59.8	133.3	8 077.3
Persons	'000	6 802.6	5 164.7	4 101.3	1 548.0	2 045.7	484.8	162.9	333.1	20 643.1
<b>Number of households in sample</b>										
	no.	1 958	1 791	1 577	1 355	1 234	670	332	428	9 345

\* 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 14)

(c) Includes households with nil or negative total income

## EXPLANATORY NOTES

### INTRODUCTION

**1** This publication presents a summary of the findings from the 2007–08 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 *Information Paper: Survey of Income and Housing, User Guide, Australia, 2007–08* (cat. no. 6553.0), expected to be released in August 2009, 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 and 2007–08. The 2007–08 SIH collected information from a sample of approximately 9,345 households over the period August 2007 to June 2008. The SIH is 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 2007–08 SIH was run as a stand alone survey (as it was in 2005–06), whereas the 2003–04 SIH was integrated with the Household Expenditure Survey (HES). The HES and SIH will be integrated each time the HES is run, next scheduled for 2009–10.

### CHANGES IN THIS ISSUE

**6** Changes in the contents of this issue are:

- improvements to the collection of income statistics. Refer to Appendix 4 for more information
- the use of population and household benchmarks based on the 2006 Census. For further information refer to the section on Weighting below (see paragraph 47)
- the use of additional information about tenure within the household to determine the selection of the household reference person, consistent with treatment prior to 2003–04.

**7** The 2007–08 SIH content was largely similar to that used in the 2005–06 SIH with some changes in questions, definitions and methodology. Key changes to the collection include:

- data items on assets and liabilities were not collected for the 2007–08 SIH. They will be next collected in the 2009–10 cycle
- additional data collected on housing topics (available on the CURFs, see Appendix 6) and child care usage including costs and barriers to labour force participation due to child care related reasons
- the collection of income unit and person tenure data for the first time since SIH 2002–03.

### *Income measures*

**8** 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. The 2007–08 income estimates in this publication reflect the changes in treatment of individual income components arising from the review.

- Employment income now includes all payments received by individuals as a result of their current or former involvement in paid employment. In addition to the regular and recurring cash receipts previously included, the new income measures also include non-cash benefits, bonuses, termination payments and payments for irregular overtime
- Interest paid on money borrowed to purchase shares or units in trusts is now netted off income earned from these sources when deriving income estimates

## EXPLANATORY NOTES *continued*

### *Income measures continued*

- Income earned as a silent partner in a partnership and some private trust income is now classified to investment income rather than unincorporated business income. The questions developed to effect this change also improved the reporting of income from these sources
- Lump sum workers' compensation receipts are now included
- A wider range of data on financial support received from family members resident outside the household is now included. In addition to regular payments previously collected, financial support has been extended to include other forms of financial support, including goods and services received which were purchased by others e.g. rent, education, food, clothing, car registration and utilities. Capital transfers, such as the purchase of property or cars, were excluded.

**9** Some limits have been placed on the new inclusions, 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. Where data are available, the estimates for 2003–04 and 2005–06 shown in the time series tables in this publication also reflect the new treatments.

**10** Appendix 4 provides more detail on the nature and impact of the changes on the income data included in this publication.

### *Inclusion of child care data*

**11** There were additional questions on use of child care, including preschool for a selected child, covering type, time used, costs and child care benefit received. In addition, there were new data items on barriers to labour force participation due to child care related reasons. Table 7 'Child care' presents some summary statistics for this topic. The *Information Paper: Survey of Income and Housing, User Guide, Australia, 2007–08* (cat. no. 6553.0), expected to be released in August 2009 will contain the full list of available data items covered by this topic.

### *Inclusion of additional housing data*

**12** The SIH 2007–08 included additional housing topics on housing mobility, housing condition and dwelling characteristics, home purchase for first home buyers, household finances of owners with a mortgage, rental arrangements and the affairs of renters, and neighbourhood. Refer to Appendix 6, 'Additional Housing Topics', for more information on additional Housing data.

### *Other changes*

**13** Some changes have also been implemented within the derivation process to correct errors detected when calculating the disposable income for some households in receipt of tax offsets. Estimates for 2005–06 have been updated in this publication.

## CONCEPTS AND DEFINITIONS

### *Person and household data*

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

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

**16** 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 cheap accommodation. 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 cheap accommodation, members are still likely to benefit from the economies of scale that arise from the sharing of dwellings.

## EXPLANATORY NOTES *continued*

### *Person and household data continued*

**17** 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.

**18** 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 16 primarily describe the households to which people belong.

### *Income*

**19** 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.

**20** 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).

**21** 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 is also included as income.

### *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. In 2005–06 and 2007–08 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 for the first time in 2007–08 and was deducted from gross income while calculating disposable income.

**24** Income tax is estimated for all households using taxation criteria for 2007–08 and the income and other characteristics of household members reported in the survey.

## EXPLANATORY NOTES *continued*

- Disposable income continued* **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 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 income is calculated by adjusting disposable income by the 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 social security 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 principal 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 quintile 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** With the 2003–04 HES, analysis of households in the lowest income decile was improved through direct observation of the expenditure and net worth of these households. An examination of these low income households was presented in Appendix 4 of *Household Wealth and Wealth Distribution, 2003–04* (cat. no. 6554.0).

## EXPLANATORY NOTES *continued*

### *Weekly 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 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.

## SURVEY METHODOLOGY

### *Scope*

**35** 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.

**36** Usual residents excludes:

- households which contain members of non-Australian defence forces stationed in Australia, and
- households which contain diplomatic personnel of overseas governments.

### *Data collection*

**37** 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 and other personal characteristics from each usual resident aged 15 years and over. It also collected information on child care costs, child care usage and barriers to labour force participation due to child care related reasons.

**38** Sample copies of the above documents are included in the *Information Paper: Survey of Income and Housing, User Guide, Australia, 2007–08* (cat. no. 6553.0) to be released in August, 2009.

### *Sample design*

**39** 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 7).

**40** For the 2007–08 SIH, dwellings were selected through a stratified, multistage cluster design. Selections were distributed across a eleven month enumeration period. The SIH is normally conducted over a 12 month enumeration period so that the survey results would be representative of income patterns across the year. In 2007–08 the estimates were adjusted during weighting so that the shorter enumeration period in the first quarter was compensated in the final estimates. In the final quarter of enumeration, 10% of the selected dwellings were deselected from the sample. This reduced the overall number of dwellings selected to participate in the survey. This outcome may increase the standard error in the final quarter estimates and hence the standard error in the annualised estimates. The relative change in sample size across the enumeration quarters

## EXPLANATORY NOTES *continued*

### *Sample design continued*

may also introduce some bias to the annualised estimates but this is expected to be much less than the standard error.

### *Non-responding households*

**41** Of the selected dwellings there were 11,126 in the scope of the survey. Of these, 1,781 did not respond at all to the questionnaire (including 46% that were not able to be contacted during the survey enumeration), or did not respond adequately. 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.

### *Partial response and imputation*

**42** Some other 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.

**43** In these 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).

**44** 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.

**45** In the 2007–08 SIH, responses were imputed when not every person aged 15 or over residing in the household responded, but the significant persons provided answers to all key questions.

### *Final sample*

**46** 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 11,126 in the scope of the survey, of which 9,345 (84.0%) were included as part of the final estimates. The final sample consists of those 9,345 households, comprising 18,326 persons aged 15 years old and over. The final sample includes 2,026 households which had at least one imputed value in income or child care expenses. For 52.4% 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.

## EXPLANATORY NOTES *continued*

*Final sample continued*

### SIH FINAL SAMPLE: Number of households—2007–08

	CAPITAL CITY		BALANCE OF STATE		TOTAL	
	Households	Persons	Households	Persons	Households	Persons
	no.	no.	no.	no.	no.	no.
NSW	1 193	2 423	765	1 433	1 958	3 856
Vic.	1 309	2 633	482	936	1 791	3 569
Qld	749	1 559	828	1 588	1 577	3 147
SA	1 063	2 016	292	544	1 355	2 560
WA	965	1 896	269	513	1 234	2 409
Tas.	283	538	387	712	670	1 250
NT	268	538	64	128	332	666
ACT	428	869	—	—	428	869
Aust.	6 258	12 472	3 087	5 854	9 345	18 326

— nil or rounded to zero (including null cells)

#### Weighting

**47** 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).

**48** 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.

**49** 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.

**50** In the 2007–08 SIH, 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.

**51** The SIH survey was benchmarked to the in scope estimated resident population (ERP) and the estimated number of households in the population. The 2007–08 cycle has used population and household benchmarks based on the 2006 Census instead of the 2001 Population Census estimates used for the 2003–04 and 2005–06 SIH. The differences in the estimated population that occur due to this change are outlined in the following table.



## EXPLANATORY NOTES *continued*

*Weighting continued*

	2001 Census	2006 Census
<b>Population benchmark</b>		
<i>Australian Population Benchmark</i> (a)	21 074 415	21 178 235
Persons in Non Private Dwellings Excluded	392 257	371 636
Persons in Very Remote Excluded	173 102	163 470
Total Population Exclusions	565 359	535 106
<b>Final Population Benchmark</b>	<b>20 509 056</b>	<b>20 643 129</b>
<b>Household benchmark</b>		
Australian Household Benchmark(a)	8 247 769	8 136 593
Households in Very Remote Excluded	61 690	61 348
<b>Final Household Benchmark</b>	<b>8 186 079</b>	<b>8 075 244</b>

(a) at 31 December 2007

**52** The benchmarks used in the calibration of the final weights for the 2007–08 SIH were:

- number of persons —
  - by state or territory by age by sex
  - five year age groups up to 80+ years for the states
  - five year age groups up to 75+ years for the ACT
  - five year age groups up to 60+ 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.
- numbers of households —
  - by household composition (number of adults (1, 2 or 3+) and whether or not the household contains children).

**53** More detailed age groupings have been used where possible in 2007–08 SIH. Previously in the 2003–04 SIH, ten year age groups up to 65 years and over were used. In SIH 2005–06 five year age groups were used up to 75 years and over, except for NT where the age groups were 15–24, 25–44, 45 and over. The 2007–08 age groups have been refined further where possible, five year age groups up to 80 years or older in all states. The two territories have used five year age groups age up to 75 or older for the ACT and 60 or older for the NT. The expanded detail for age groups in SIH 2007–08 aims to improve estimates across those ages. The impact of this change on all other estimates not involving age is expected to be minimal.

**54** The person and household benchmarks were based on preliminary estimates of numbers of persons and households in Australia in 2007–08 based on the 2006 Population Census. The benchmarks used include households and persons residing in occupied private dwellings only and therefore do not, and are not intended to, match estimates of the total Australian resident population published by the ABS.

**55** Numbers of households are calibrated to benchmarks for total Australia with respect to household composition (based on the number of adults (1, 2 or 3) and whether or not the household contains children).

*Estimation*

**56** 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 other detailed data were only collected for people 15

## EXPLANATORY NOTES *continued*

### *Estimation continued*

years and older. Therefore, counts of persons cannot be obtained by summing the weights of all persons.

**57** 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. 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

#### *Non-sampling error*

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

**59** 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.

**60** 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.

**61** 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.

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

- face-to-face interviews with respondents
- the use of interviewers who could speak languages other than English, where necessary
- 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*

**63** 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 7.

## EXPLANATORY NOTES *continued*

### ACKNOWLEDGMENT

**64** 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

**65** 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 +61 2 9268 4909).

### UNIT RECORD FILE

**66** It is expected that a confidentialised unit record file (CURF) from the 2007–08 SIH will be released on CD-ROM in August 2009. It is also expected that a more detailed SIH CURF will be available through the ABS Remote Access Data Laboratory. All clients wishing to access the SIH 2007–08 basic and expanded CURF should refer to the ABS Website <<http://www.abs.gov.au>> (see Services, CURF Microdata) and read the CURF Microdata Entry Page, and other linked information, before downloading the appropriate Guide, Application and Undertaking forms and applying for access.

#### *Australian universities*

**67** University clients should refer to the ABS web site <[www.abs.gov.au](http://www.abs.gov.au)> (see Services, Services for Universities). The SIH 2007–08 basic and expanded CURF can be accessed by universities participating in the ABS/Universities Australia CURF Agreement for research and teaching purposes.

#### *Other clients*

**68** Other prospective clients should contact the Microdata Access Strategies Section of the ABS at <[microdata.access@abs.gov.au](mailto:microdata.access@abs.gov.au)> or on (02) 6252 7714.

### RELATED PUBLICATIONS

**69** 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.

*Information Paper: Survey of Income and Housing, User Guide, Australia, 2007–08* (cat. no. 6553.0) is expected to be released in August 2009.

*Survey of Income and Housing - Confidentialised Unit Record File, Technical Manual, 2007–08* (cat. no. 6541.0) is expected to be released in August 2009.

*Housing Occupancy and Costs, Australia, 2007–08* (cat. no. 4130.0) is expected to be released in November 2009.

*Housing Mobility and Conditions, Australia, 2007–08* (cat. no. 4130.0.55.002) is expected to be released in November 2009.

## EXPLANATORY NOTES *continued*

### RELATED PUBLICATIONS

*continued*

**70** 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* (cat. no. 4130.0.55.001)

**71** 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)—issued monthly

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

*Measuring Wellbeing: Frameworks for Australian Social Statistics, 2001*

(cat. no. 4160.0)

*Measures of Australia's Progress, 2006* (cat. no. 1370.0)

*Information Paper: Experimental Estimates of Personal Income for Small Areas,*

*Taxation and Income Support Data, 1995–96 to 2000–01* (cat. no. 6524.0)

*Household Wealth and Wealth Distribution, Australia* (cat. no. 6554.0)

*Information paper: Changes to ABS Measures of Employee Remuneration,*

*Australia, 2006* (cat. no. 6313.0)

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

On the Australian Tax Office website ([www.ato.gov.au](http://www.ato.gov.au)) under > Corporate > About us > General Accountability Information

*Taxation Statistics 2004–05: A summary of income tax returns for the 2004–05 income year and other reported tax information for the 2005–06 financial year*

*Taxation Statistics 2005–06*

*Taxation Statistics 2006–07*

*Statistical Paper No. 3: Income support customers: A statistical overview 2004*

(Department of Families, Community Services and Indigenous Affairs)

link: under FaHCSIA Internet > About FaHCSIA > Publications & Articles >

Research Publications > Statistical Paper series

<http://www.fahcsia.gov.au/about/publicationsarticles/research/statistical/Pages/default.aspx>

*Household, Income and Labour Dynamics in Australia (HILDA) Survey, Annual Report 2006* (Department of Families, Housing, Community Services and Indigenous Affairs)

link: [www.melbourneinstitute.com/hilda/areport.html](http://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 30 and 31 in the Explanatory Notes).

## APPENDIX 1 ANALYSING INCOME DISTRIBUTION *continued*

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### *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.

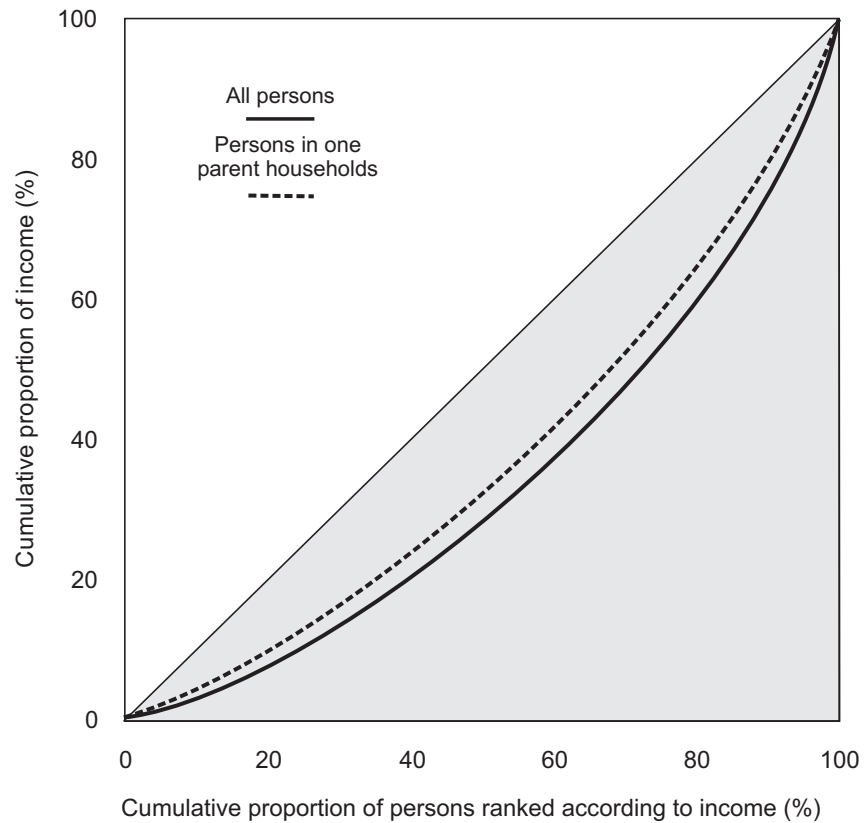
### GINI COEFFICIENT

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.

## APPENDIX 1 ANALYSING INCOME DISTRIBUTION *continued*

GINI COEFFICIENT *continued*



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 2007–08 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 0.331 while the coefficient for the persons in the one parent households included here was 0.270.

## 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 was collected on irregular overtime, bonuses and non-cash benefits was only collected on a previous financial year basis and for recipients of government pensions and allowances information is collected on reductions to payments due to lump sum advances and one-off payments such as the Baby Bonus.

However from 2007–08, wages and salaries are collected on a current basis, including 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 telephone allowance 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, 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



## APPENDIX 2 CURRENT AND ANNUAL INCOME *continued*

### GOVERNMENT PENSIONS AND ALLOWANCES *continued*

imputed on the basis of the amount reported as current income, adjusting for benefit rate changes over the previous 12 months.

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.

## APPENDIX 2 CURRENT AND ANNUAL INCOME *continued*

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### 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, the coverage of inter 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 wellbeing. From 2007–08 the changes to capture irregular bonuses, overtime and non-cash incomes in wages and salaries had addresses 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 short-coming 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.

## APPENDIX 2 CURRENT AND ANNUAL INCOME *continued*

### COMPARISON OF ESTIMATES *continued*

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.

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 2002–2003, 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	
<b>Mean income per week, in 2007–08 dollars</b>							
Low income(a)	\$ 277	310	11.9	281	315	12.1	0.2
High income(b)	\$ 969	1 124	16.0	985	1 154	17.2	1.2
<b>Income shares</b>							
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
<b>Percentile ratios</b>							
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
<b>Gini coefficient</b>	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	2000-01
<b>Wages and salaries</b>								
Current income	na	194.7	199.3	211.6	223.6	na	251.1	268.3
Previous financial year income(b)	194.7	204.4	219.1	232.2	na	257.7	277.0	na
<b>Government pensions and allowances</b>								
Current income	na	34.3	36.5	38.6	39.0	na	41.2	46.5
Previous financial year income(b)	30.7	32.8	34.9	36.2	na	37.7	40.5	na
<b>Own unincorporated business</b>								
Current income	na	18.8	23.2	21.4	23.6	na	28.7	27.7
Previous financial year income(b)	18.5	22.8	22.5	24.4	na	27.5	25.9	na
<b>Investment income</b>								
Current income	na	10.7	10.9	14.4	13.2	na	17.3	16.3
Previous financial year income(b)	10.9	11.0	14.3	13.0	na	17.3	15.7	na
<b>Other income</b>								
Current income	na	7.2	7.9	8.2	9.9	na	10.5	11.7
Previous financial year income(b)	6.6	7.0	7.5	8.4	na	8.5	9.7	na
<b>Total income</b>								
Current income	na	265.8	277.8	294.3	309.3	na	348.9	370.5
Previous financial year income(b)	261.4	278.0	298.4	314.2	na	348.7	368.8	na

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 or 2006-07

## APPENDIX 2 CURRENT AND ANNUAL INCOME *continued*

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

	2001-02	2002-03(b)	2003-04(b)	2004-05(b)	2005-06(b)	2006-07(c)	2007-08(c)
<b>Wages and salaries</b>							
Current income	na	308.4	341.7	na	402.1	na	513.1
Previous financial year income(d)	311.2	327.1	na	377.4	na	444.3	na
<b>Government pensions and allowances</b>							
Current income	na	49.6	56.3	na	61.1	na	65.9
Previous financial year income(d)	44.6	48.3	na	52.0	na	52.6	na
<b>Own unincorporated business</b>							
Current income	na	33.2	31.2	na	39.4	na	40.7
Previous financial year income(d)	31.3	28.0	na	35.8	na	37.4	na
<b>Investment income</b>							
Current income	na	16.2	21.6	na	29.3	na	43.4
Previous financial year income(d)	16.6	19.1	na	26.4	na	33.4	na
<b>Other income</b>							
Current income	na	15.1	17.7	na	19.7	na	31.6
Previous financial year income(d)	13.1	16.5	na	17.8	na	25.6	na
<b>Total income</b>							
Current income	na	422.5	468.6	na	551.6	na	694.6
Previous financial year income(d)	416.9	439.0	na	509.4	na	593.3	na

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 are available to support this calculation (see 'Time series comparisons' in Appendix 4)

(c) Wages and salaries measured in 2007-08 on a current financial year basis, and 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 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 or 2006-07

## 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
<b>Mean income per week(b)</b>								
Lowest quintile	\$	194	203	209	211	214	219	217
Second quintile	\$	334	338	342	339	361	366	381
Third quintile	\$	467	465	471	476	509	512	531
Fourth quintile	\$	623	626	629	643	681	685	713
Highest quintile	\$	975	985	1 002	1 028	1 097	1 120	1 139
All persons	\$	519	523	531	539	572	580	596
Second and third deciles	\$	276	281	285	283	298	304	310
<b>Income per week at top of selected percentiles(b)</b>								
10th (P10)	\$	223	228	233	234	241	245	247
20th (P20)	\$	272	280	286	283	295	303	307
30th (P30)	\$	334	338	341	339	361	363	379
40th (P40)	\$	398	398	403	401	431	433	457
50th (P50)	\$	468	464	471	475	508	512	529
60th (P60)	\$	536	539	540	550	592	592	613
70th (P70)	\$	613	621	627	639	678	681	710
80th (P80)	\$	729	732	728	742	791	800	829
90th (P90)	\$	893	889	890	910	966	996	1 009
<b>Income share</b>								
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
<b>Ratio of incomes at top of selected income percentiles</b>								
P90/P10	ratio	4.00	3.90	3.82	3.89	4.00	4.06	4.08
P80/P20	ratio	2.68	2.62	2.54	2.62	2.68	2.64	2.70
P80/P50	ratio	1.56	1.58	1.55	1.56	1.56	1.56	1.57
P20/P50	ratio	0.58	0.60	0.61	0.60	0.58	0.59	0.58
<b>Gini coefficient</b>	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 2007-08 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(b)	2004-05(b)	2006-07(c)
<b>Mean income per week(d)</b>				
Lowest quintile	\$	224	231	226
Second quintile	\$	383	408	427
Third quintile	\$	534	569	608
Fourth quintile	\$	707	750	829
Highest quintile	\$	1 154	1 268	1 447
All persons	\$	600	645	708
Second and third deciles	\$	315	332	342
<b>Income per week at top of selected percentiles(d)</b>				
10th (P10)	\$	253	263	264
20th (P20)	\$	313	330	341
30th (P30)	\$	380	404	424
40th (P40)	\$	459	487	518
50th (P50)	\$	533	570	606
60th (P60)	\$	611	652	704
70th (P70)	\$	703	745	828
80th (P80)	\$	824	876	970
90th (P90)	\$	1 016	1 082	1 217
<b>Income share</b>				
Lowest quintile	%	7.4	7.2	6.4
Second quintile	%	12.8	12.6	12.1
Third quintile	%	17.8	17.6	17.2
Fourth quintile	%	23.6	23.3	23.4
Highest quintile	%	38.4	39.3	40.9
All persons	%	100.0	100.0	100.0
Second and third deciles	%	10.5	10.3	9.7
<b>Ratio of incomes at top of selected income percentiles</b>				
P90/P10	ratio	4.02	4.11	4.61
P80/P20	ratio	2.63	2.66	2.85
P80/P50	ratio	1.55	1.54	1.60
P20/P50	ratio	0.59	0.58	0.56
<b>Gini coefficient</b>	no.	0.312	0.323	0.346

- (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 (see 'Time series comparisons' in Appendix 4)
- (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 survey cycles
- (d) In 2007-08 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. FROM GROSS INCOME TO PERSON WEIGHTED EQUIVALISED DISPOSABLE INCOME, 2007-08

		Gross household income per week	Income tax per week	Disposable household income per week	EQUIVALISED DISPOSABLE HOUSEHOLD INCOME PER WEEK	
					Household weighted	Person weighted
<b>Percentile boundaries and percentile ratios</b>						
P10	\$	324	na	325	286	317
P20	\$	540	na	539	365	410
P50	\$	1 285	na	1 128	674	692
P80	\$	2 390	na	1 962	1 091	1 079
P90	\$	3 192	na	2 537	1 381	1 360
P90/P10	ratio	9.86	na	7.81	4.83	4.30
P80/P20	ratio	4.42	na	3.64	2.99	2.63
<b>Means</b>						
All households	\$	1 649	284	1 366	803	811
One family households						
Couple family with dependent children	\$	2 296	427	1 868	831	810
One parent family with dependent children	\$	1 021	97	923	535	520
Couple only	\$	1 626	285	1 341	896	896
Other one family households	\$	2 157	336	1 820	902	916
Multiple family households	\$	2 523	380	2 144	755	751
Non-family households						
Lone person	\$	806	134	672	673	673
Group households	\$	2 053	371	1 682	997	993

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 more than \$655 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*

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### 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 (\$317) is higher than the household weighted estimate of P10 (\$286). 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 are the same as each other (\$673) and are just a little higher than disposable income (\$672). Equivalised disposable income for lone person households is approximately the same as disposable income, because the equivalising factor for such households is 1.0. The reason for the slight difference between them is that some households have negative disposable income and their values are reset to zero before equivalising is carried out.

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 IMPROVEMENTS TO INCOME STATISTICS

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### INTRODUCTION

The ABS has implemented new standards for household income statistics following the adoption of new international standards in 2004 and an extensive ABS review of the collection and dissemination of income statistics. The 2007–08 income estimates from the Survey of Income and Housing (SIH) presented in this publication apply the new income standards. This Appendix summarises some of the background to, as well as the nature and impact of, the changes on the income statistics included in this publication.

### BACKGROUND

In recent years the ABS has implemented a range of improvements to the range and quality of household income statistics. Sample error was reduced by increasing the sample size commencing with the 2002–03 survey cycle (as a trade off to reducing the frequency from annual to biennial). From 2003–04 changes were also made in sample design (switching to independent selection of dwellings rather than from respondents leaving the monthly population survey after 8 months), and through introducing computer aided personal interviewing (CAPI). Other changes included a more detailed range of income questions (especially for current income measures), revised and consistent benchmarking methods, a refocussed analysis at the household level, and improved accuracy by ensuring that all salary sacrifice amounts were included.

Historically household income measurement has been constrained by expectations of the capacity of householders to reliably report information during an interview. Respondents have been supported by ABS advice about what documents might assist them in answering questions (including any documentation that supports their taxation reporting), by prompts linking income to assets and liabilities, and by prompts regarding very low or otherwise anomalous reporting (possible under a CAPI mode of collection). The approach adopted to income measurement was to minimise respondent burden and limit income reporting to the regular (cash) receipts of income. This was intended to exclude one-off capital gains, avoid respondents having to value in-kind transfers, and reflect the income usually available to, and easily reported by, a household, it also had the effect of excluding income that is not regular but which is generally used for current consumption purposes and is reportable by households.

### NEW CONCEPTUAL DEFINITION

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 by the household.

Household income includes receipts from:

- employment (employee income and income from self employment)
- property (interest, dividends, rents and royalties)
- production of household services for own consumption (owner-occupied dwellings, unpaid domestic services)
- current transfers (pensions, annuities, benefits and allowances, transfers from non profit institutions and other households).

Household income excludes capital transfers received and certain current transfers treated as (net) expenditures. It excludes receipts that reduce the net worth of the household through a reduction of its cash, the disposal of its other financial or non-financial assets, or an increase in its liabilities.

## APPENDIX 4 IMPROVEMENTS TO INCOME STATISTICS *continued*

### NEW CONCEPTUAL DEFINITION *continued*

#### Exclusions:

- capital transfers e.g. inheritances, lump sum retirement benefits, life insurance claims (except annuities), compensation (except for foregone earnings), loan repayments
- certain current transfers offset against expenditures e.g. lottery and other gambling winnings, non-life insurance claims, government reimbursements of expenditure such as Medicare and child care rebates
- holding gains/losses resulting from changes in the value of financial and non-financial assets and liabilities
- other receipts that result from a reduction in net worth e.g. sale of assets, withdrawals from savings and loans obtained.

### CHANGES IN 2007–08

The income measures in this publication are more limited in scope than the new conceptual definition, as they are still constrained by data availability and other operational considerations. The main exclusions are most production of household goods and services for own consumption or barter, unpaid domestic services, services from consumer durables, some minor transfers from other households. Services from owner-occupied dwellings (imputed rent) are shown separately from the main estimates, in line with international standards and user preferences.

#### *Employment income*

Employment income now includes all payments received by individuals as a result of their current or former involvement in paid employment. In addition to the regular and recurring cash receipts previously included, the new income measures now include non-cash benefits, bonuses, termination payments and payments for irregular overtime worked.

#### NON-CASH BENEFITS

Most employee remuneration is in a monetary form. However a substantial number of employees receive other benefits in the form of goods and services i.e. non-cash benefits. Examples include the use of motor vehicles, provision of a computer, subsidised child care, housing rent free or at less than normal market rent, car parking, superannuation (employer contributions above the minimum compulsory contributions) and low interest loans.

Information on non-cash benefits provided by employers has been collected from wage and salary earners and owners of incorporated businesses commencing with SIH 2003–04 (but not included in previously published aggregates), although initially the value of the benefits was imputed by ABS. In SIH 2007–08 respondents were asked to value the non-cash benefits provided through other arrangements.

As non-cash benefits do not form part of PAYG taxable income, these amounts have been excluded when estimating income tax and the Medicare levy payable, for the purpose of deriving disposable income for 2007–08.

#### BONUSES

Prior to SIH 2007–08, published estimates of employment income included bonuses if they were reported as part of a person's 'usual pay'. For the 2003–04 and 2005–06 SIH cycles the value of any 'regular bonuses' not already reported in wages and salaries was also collected. In SIH 2007–08, the information collected on bonuses was revised to capture all bonuses (regular or otherwise) in one question in addition to any amounts included indistinguishably in 'usual pay'. All reported bonus information is now incorporated in published estimates from 2003–04 onwards.

## APPENDIX 4 IMPROVEMENTS TO INCOME STATISTICS *continued*

### *Employment income continued*

#### OVERTIME

Prior to SIH 2007–08, published estimates of employment income included overtime if it was reported as part of a persons 'usual pay'. In SIH 2007–08, respondents were asked the long-standing questions about overtime included in their usual pay, as well as additional questions to capture the amount of overtime they 'expect to receive in total this financial year'. This overtime estimate replaced the reported amounts of overtime included in their usual pay, in the derivation of current employee income.

#### TERMINATION PAYMENTS

Termination payments include payments for unused leave when leaving a job, payments in lieu of notice, and payments as part of a redundancy or early retirement scheme. Apart from payments for unused leave, termination payments are primarily intended to support current living standards while a person is between jobs.

Most termination payments reported in SIH 2007–08 were for relatively small amounts. For larger amounts, a cut-off was applied where it was considered unlikely that the full sum would be used to support consumption in the period. The cut-off was applied at the equivalent of three months pay, based on the greater of the respondent's reported wages and salaries and average weekly earnings. Amounts up to this limit were included in income, but amounts above were excluded (effectively treated as capital accumulation).

### *Other income*

Estimates of 'other income' for 2007–08 have been affected by the following changes to the treatment of individual income components.

### *Investment income*

Commencing with SIH 2007–08, interest paid on money borrowed to purchase shares or units in trusts has been netted off income earned from these sources when deriving net income estimates, with a similar revision applied to results for 2003–04 and 2005–06.

Some classification changes have also been made. Commencing in SIH 2007–08, income earned as a silent partner in a partnership and some private trust income has been classified to investment income, rather than to unincorporated business income. This change does not affect trust income resulting from the recipient working in their own business, which continues to be classified as unincorporated business income.

### *Workers' compensation*

Workers' compensation payments are made to injured employees to compensate for foregone earnings and to meet ongoing medical costs. While regular workers' compensation receipts have been included in previously published results, lump sum receipts were not. Commencing in SIH 2007–08, both forms of workers' compensation are included in the published estimates.

A cut-off has been applied to significant lump sum amounts, where it was considered likely that part of the receipt would be saved to meet future expenses, rather than to support current consumption. Two methods were applied in determining the cut-off limit. For respondents who reported some wage and salary income, the cut-off was applied at the equivalent of three months pay, based on the greater of the respondent's reported wages and salaries and average weekly earnings. For those reporting no wage or salary income, the cut-off was applied at the equivalent of 52 weeks average weekly earnings.

### *Financial support received from family members not living in household*

In SIH 2007–08, a wider range of data on financial support received from and paid to family members resident outside the household was collected. Previously these were mainly limited to regular payments for spousal maintenance and child support. In 2007–08, respondents were asked to include other forms of financial support, including goods and services received which were purchased by others e.g. rent, education, food, clothing, car registration and utilities. Capital transfers, such as for the purchase of property or cars, were excluded.

## APPENDIX 4 IMPROVEMENTS TO INCOME STATISTICS *continued*

### IMPACT ON 2007–08 ESTIMATES

Table A6 shows that implementation of the broader measure of income in 2007–08 resulted in an \$85 increase in mean weekly gross household income, compared to the previous definition. The additional inclusions affected 3.4m households in total (43%). Most of the impact was on employment income, which increased by \$89 per week on average. The inclusion of non-cash employment benefits and bonuses had the most impact (\$43 and \$32 per week respectively).

#### A6 IMPACT OF CHANGES ON WEEKLY INCOME

	<i>Mean gross household income</i>	<i>Number of households impacted</i>	
	\$	'000	%
<i>Impact on estimates</i>			
<b>Employment income</b>			
Non-cash benefits	43	1 627	20.1
Bonuses	32	1 467	18.2
Irregular overtime	9	1 493	18.5
Termination payments	5	389	4.8
<b>Total</b>	<b>89</b>	<b>3 377</b>	<b>41.8</b>
<b>Other income</b>			
Netting off interest from share/public unit trust income	-5	203	2.5
Lump-sum workers' compensation payments	1	23	0.3
<b>Total</b>	<b>-4</b>	<b>225</b>	<b>2.8</b>
<b>Total change<sup>(a)</sup></b>	<b>85</b>	<b>3 438</b>	<b>42.6</b>
<b>Overall total</b>	<b>1 649</b>	<b>8 077</b>	<b>100.0</b>

(a) The impact of changes to questions on financial support from family members not living in the same household are not included in this table. A similar question relating only to regular, cash payments was asked in SIH 2005–06. As this income was included in the 2005–06 estimates, it is not being treated as a change to the 2007–08 estimates. When compared to 2005–06, the 2007–08 estimates reflect the broader coverage with a six-fold increase in the number of households reporting these transfer incomes. The mean weekly household income also increased, from \$4 in 2005–06 to \$15 in 2007–08.

### TIME SERIES COMPARISONS

The 2003–04 and 2005–06 data in the time series tables in this publication have been recompiled to approximate the new treatments of income, where data are available to support this calculation. Information on interest paid on money borrowed to purchase shares or public unit trusts to derive net income from these sources is available, and partial data are available in respect of non-cash employment benefits and bonuses.

Table A7 compares estimates of mean weekly household income for 2003–04, 2005–06 and 2007–08 compiled using the best practical approximation of the former and new bases of measurement. The results in this table in part reflect the lack of data for some changed items in the earlier years or the inability to fully compile the 2007–08 information on the old basis. They also reflect a change in the valuation of non-cash benefits for motor vehicles in 2007–08.

In 2007–08, the Gini coefficient on the new basis was 0.331, which is higher than that compiled on the former basis (0.317). This reflects that most of the changes have been to the scope of employment income and at the higher end of the income distribution i.e. fourth and highest quintiles.

## APPENDIX 4 IMPROVEMENTS TO INCOME STATISTICS *continued*

TIME SERIES COMPARISONS  
*continued*

A7 WEEKLY INCOME, NEW AND FORMER BASES (a)

Period	MEAN GROSS HOUSEHOLD INCOME				MEAN EQUIVALISED DISPOSABLE HOUSEHOLD INCOME				GINI COEFFICIENT	
	New basis	Former basis	Difference		New basis	Former basis	Difference		New basis	Former basis
	\$	\$	\$	%	\$	\$	\$	%	ratio	ratio
2003-04	1 306	1 276	30	2.3	638	622	17	2.7	0.306	0.297
2005-06	1 420	1 386	34	2.5	699	681	18	2.7	0.314	0.305
2007-08	1 649	1 564	85	5.4	811	769	42	5.5	0.331	0.317

(a) In 2007-08 dollars, adjusted using changes in the Consumer Price Index

If the data for all three survey years are adjusted to exclude all identified bonuses, all non-cash benefits, irregular overtime and termination payments, as well as financial support received from family members not living in the same household, the Gini coefficient is 0.299 in 2003-04, 0.306 in 2005-06 and 0.319 in 2007-08.

FURTHER INFORMATION

The various components of the income measures have been collected from survey respondents at a detailed level, allowing some flexibility in the way the estimates are compiled. The additional items collected in 2007-08 are available separately on the Confidentialised Unit Record Files to be released from SIH 2007-08 (cat. no. 6541.0.30.001).

REFERENCES

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

*International Labour Organisation 2004, Resolution I: Household Income and Expenditure Statistics, Seventeenth International Conference of Labour Statisticians, International Labour Organisation, Geneva* <[www.ilo.org](http://www.ilo.org)>



## APPENDIX 5 IMPUTED RENT ESTIMATES, 2007–08

### INTRODUCTION

In May 2008 the ABS released household level estimates of imputed rent, derived from data reported in the 2003–04 and 2005–06 Surveys of Income and Housing (SIH) for the first time, (*Experimental Estimates of Imputed Rent, 2003–04 and 2005–06*, cat. no. 6525.0). This appendix presents the corresponding estimates of imputed rent in respect of 2007–08.

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. 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.

### AVAILABILITY OF ESTIMATES

The unit record imputed rent estimates will be made available on the following confidentialised unit record files (CURFs), expected to be released on 20 August 2009:

- *Survey of Income and Housing, Australia: CURFs, 2007–08* (cat. no. 6541.0.30.001)

Unit record imputed rent estimates are also available in respect of 2003–04 and 2005–06 on the following CURFs:

- *Household Expenditure Survey and Survey of Income and Housing: CURFs, 2003–04 (3rd edition)* (cat. no. 6540.0)
- *Survey of Income and Housing, Australia: CURFs, 2005–06 (2nd edition)* (cat. no. 6541.0.30.001).

### DATA AND METHODOLOGY

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.

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.

### IMPUTED RENT ESTIMATES

Table A8 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 2003–04, 2005–06 and 2007–08. 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 (approximately 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.

## APPENDIX 5 IMPUTED RENT ESTIMATES, 2007–08 *continued*

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### IMPUTED RENT ESTIMATES *continued*

Conversely, owners with a mortgage had the smallest net imputed rent with the mean becoming smaller over the three reference periods, i.e. \$21 in 2003–04, \$5 in 2005–06 and \$2 in 2007–08. This reflects positive net rents for about half of the mortgagor households, largely offset by the negative net imputed rents estimated for those households in this group whose housing costs exceeded their estimated gross imputed rent (40% of the mortgagor households in 2003–04, 45% in 2005–06 and 44% in 2007–08 had negative net imputed rent).

In 2007–08, the addition of net imputed rent to disposable household income contributed, on average, an extra \$43 (5%) to the income of all households. The effect in 2003–04 and 2005–06 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 rent-free (22% increase in 2007–08). Consistent with previous years, there were also significant increases in 2007–08 for owners without a mortgage (16%) and tenants of state / territory housing authorities (15%).

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 2007–08 the ratio of the mean income of owners with a mortgage to the mean income of tenants of state/territory housing authorities declined from 2.4 to 2.0 when net imputed rent was included.

## APPENDIX 5 IMPUTED RENT ESTIMATES, 2007–08 *continued*

### A8 GROSS AND NET IMPUTED RENT, BY HOUSING TENURE(a)

	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)	Adjusted mean equivalised disposable household income, incl. imputed rent (per week)	Number of households	Average number of persons in households	Number of households in sample
	\$	\$	\$	\$	\$	'000	no.	no.
2003–04 (b)								
Owner without a mortgage	594	-	235	169	698	2 702.9	2.2	3 925
Owner with a mortgage	716	-	240	21	726	2 713.8	3.1	4 085
Renter								
From state/territory housing authorities	326	94	169	75	375	376.4	2.1	608
Other subsidised renter(c)	601	139	196	61	637	216.8	2.4	329
Market renter(d)	610	221	-	8	615	1 540.3	2.4	2 135
Occupied rent-free	610	-	198	180	722	152.2	2.2	225
Rent-buy/life tenure scheme	537	**21	203	*94	588	33.5	2.3	54
<b>All households</b>	<b>638</b>	<b>53</b>	<b>185</b>	<b>77</b>	<b>680</b>	<b>7 735.8</b>	<b>2.5</b>	<b>11 361</b>
2005–06 (b)								
Owner without a mortgage	670	-	252	183	783	2 718.1	2.2	3 452
Owner with a mortgage	781	-	261	**5	783	2 772.0	3.1	3 512
Renter								
From state/territory housing authorities	382	107	195	88	433	368.8	2.3	525
Other subsidised renter(c)	576	159	219	67	616	206.0	2.3	286
Market renter(d)	658	233	-	7	662	1 686.1	2.3	1 966
Occupied rent-free	633	-	220	207	764	144.2	2.1	176
Rent-buy/life tenure scheme	439	44	198	99	499	30.9	1.8	44
<b>All households</b>	<b>699</b>	<b>59</b>	<b>197</b>	<b>76</b>	<b>740</b>	<b>7 926.2</b>	<b>2.5</b>	<b>9 961</b>

\* 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) 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) In 2007–08 dollars, adjusted using changes in the Consumer Price Index. Income estimates reflect improvements to measures of household income. For more information see Appendix 4

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

(d) 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

## APPENDIX 5 IMPUTED RENT ESTIMATES, 2007–08 *continued*

### A8 GROSS AND NET IMPUTED RENT, BY HOUSING TENURE(a) *continued*

	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)	Adjusted mean equivalised disposable household income, incl. imputed rent (per week)	Number of households	Average number of persons in households	Number of households in sample
	\$	\$	\$	\$	\$	'000	no.	no.
2007–08								
Owner without a mortgage	795	-	281	210	922	2 679.2	2.2	3 117
Owner with a mortgage	902	-	288	**2	902	2 835.2	3.1	3 267
Renter								
From state/territory housing authorities	382	102	196	94	440	365.1	2.1	508
Other subsidised renter(b)	689	166	255	93	744	239.5	2.3	311
Market renter(c)	759	264	-	4	761	1 795.3	2.5	1 953
Occupied rent-free	660	-	242	228	806	133.3	2.0	148
Rent-buy/life tenure scheme	474	**21	206	137	575	29.7	1.4	41
<b>All households</b>	<b>811</b>	<b>68</b>	<b>216</b>	<b>82</b>	<b>854</b>	<b>8 077.3</b>	<b>2.6</b>	<b>9 345</b>

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

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

## APPENDIX 5 IMPUTED RENT ESTIMATES, 2007–08 *continued*

### 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 households' incomes. In higher income ranges the net imputed rent income is a relatively smaller proportion of the households' 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).

GRAPH A9 DISTRIBUTION OF EQUIVALISED DISPOSABLE HOUSEHOLD INCOME (EDHI), WITH AND WITHOUT IMPUTED RENT, 2007–08

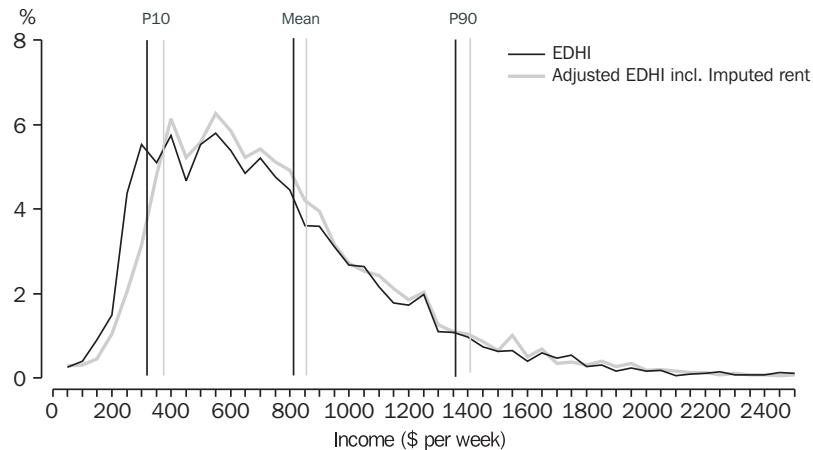


Table A10 shows that in 2007–08, P90 for equivalised disposable household income was \$1,360 per week and P10 was \$317 per week, giving a P90/P10 ratio of 4.3. When net imputed rent was added to income the P90/P10 ratio fell to 3.76.

The addition of net imputed rent saw a decrease in the Gini coefficient from 0.331 to 0.313, a decrease of 5.5%. This further indicates the inclusion of net imputed rent to income results in a more equal distribution.

## APPENDIX 5 IMPUTED RENT ESTIMATES, 2007–08 *continued*

IMPACT ON INCOME  
DISTRIBUTION *continued*

A10 EQUIVALISED DISPOSABLE HOUSEHOLD INCOME DISTRIBUTION,  
2007–08

<i>Indicator</i>	<i>Equivalised disposable household income</i>	<i>Adjusted equivalised disposable household income, incl. imputed rent</i>
<b>Mean income per week</b>		
Lowest quintile	\$ 299	348
Second quintile	\$ 504	552
Third quintile	\$ 692	729
Fourth quintile	\$ 922	954
Highest quintile	\$ 1 646	1 689
All persons	\$ 811	854
Second and third deciles	\$ 409	463
<b>Median income per week</b>		
	\$ 692	728
<b>Income per week at top of selected percentiles</b>		
10th (P10)	\$ 317	375
20th (P20)	\$ 410	463
30th (P30)	\$ 506	553
40th (P40)	\$ 596	634
50th (P50)	\$ 692	728
60th (P60)	\$ 793	827
70th (P70)	\$ 915	942
80th (P80)	\$ 1 079	1 121
90th (P90)	\$ 1 360	1 411
<b>Income share</b>		
Lowest quintile	% 7.4	8.2
Second quintile	% 12.4	12.9
Third quintile	% 17.0	17.1
Fourth quintile	% 22.7	22.3
Highest quintile	% 40.5	39.6
All persons	% 100.0	100.0
Second and third deciles	% 10.1	10.9
<b>Ratio of income at top of selected income percentiles</b>		
P90/P10	ratio 4.30	3.76
P80/P20	ratio 2.63	2.42
P80/P50	ratio 1.56	1.54
P20/P50	ratio 0.59	0.64
<b>Gini coefficient</b>	no. 0.331	0.313

COMPARISON WITH NATIONAL  
ACCOUNTS

Table A11 compares the household level estimates of the gross imputed rent for owner-occupied dwellings with household sector estimates included in the Australian System for National Accounts (ASNA). The SIH and ASNA estimates of gross imputed rent for owner-occupiers have been developed for different purposes but apply similar concepts and methods, i.e. they both estimate the market value of the housing services from the rental equivalent.

There are two scope differences which impact on the comparability of the SIH and ASNA estimates of gross imputed rent for owner-occupiers.

Firstly, the ASNA estimates include the gross imputed rent accruing to owner-occupiers not only from occupation of their primary residence, but also from any additional residences such as holiday homes. The ASNA estimates also include a portion of unoccupied dwellings. The SIH estimates capture only the imputed rent accruing to owner-occupiers from occupation of their primary residence. This scope difference can be quantified and is very small.

Secondly, SIH excludes households in collection districts defined as very remote. For most states and territories the exclusion of people in very remote areas has only a minor impact on the aggregate estimates because they constitute a small proportion of the population. The SIH estimates for the Northern Territory are understated as very remote households account for about 23% of its population, but the scale of this exclusion is not

## APPENDIX 5 IMPUTED RENT ESTIMATES, 2007–08 *continued*

### COMPARISON WITH NATIONAL ACCOUNTS *continued*

clear. Because the majority of the population living in very remote households in the Northern Territory are living in discrete Indigenous communities where home ownership rates are very low, imputed rent estimates for home owners are not likely to be significantly underestimated for the Northern Territory.

In producing the ASNA imputations, a benchmark is established using the Census of Population and Housing, which gives the number of owner-occupied and rented dwellings and information about rents paid for rented dwellings. The imputed rent for owner-occupied dwellings is calculated by multiplying average private rents for unfurnished dwellings reported in the Census in various strata (defined by major urban, other urban, rural; cross classified by dwelling structure and number of bedrooms) by the number of owner-occupied dwellings in the same categories.

For intercensal and post-census periods, the estimates are interpolated / extrapolated using a range of indicator data and assuming a constant rate of change in the proportion of dwellings that are owner-occupied between Census benchmarks. For the post-census period, the rate of change in the proportion of owner-occupied dwellings observed in the previous intercensal period is used. Details are available in Section 14.41 of *Australian System of National Accounts: Concepts, Sources and Methods* (cat. no. 5216.0).

The ASNA estimates of gross imputed rent for owner-occupiers used in this appendix are those shown in Table 52 of *Australian System of National Accounts, 2007–08* (cat. no. 5204.0).

The proximity of the ASNA and SIH estimates can largely be attributed to the broadly similar methodologies applied and to the generally accurate reporting of private rents in both data sources used. The ASNA estimates are currently benchmarked to the 2001 Census and are therefore subject to revision when the 2006 Census results are incorporated.

### A11 COMPARISON OF SIH ESTIMATES WITH ASNA ESTIMATES OF GROSS IMPUTED RENT, FOR OWNER OCCUPIERS

		2003–04	2005–06	2007–08
ASNA estimate	\$	60 511	68 523	81 867
SIH estimate(a)	\$	59 561	68 971	81 826
<b>Difference</b>	%	<b>-1.6</b>	<b>0.7</b>	<b>-0.1</b>

(a) SIH estimates are presented as Australian level annual aggregates. This was calculated by multiplying the mean annual value of gross imputed rent by the estimated number of in scope owner-occupied Australian households (5,514,400 for 2007–08)

### FURTHER INFORMATION

For further information refer to *Experimental Estimates of Imputed Rent, 2003–04 and 2005–06* (cat. no. 6525.0).

## APPENDIX 6 ADDITIONAL HOUSING TOPICS, 2007–08

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### INTRODUCTION

In the Survey of Income and Housing (SIH), conducted by the ABS every two years, a comprehensive range of housing occupancy and costs data is regularly collected. This includes information for Australian households on tenure type, housing costs, housing utilisation, housing loans and dwelling structure. These data are released in *Housing Occupancy and Costs, Australia, 2007–08* (cat. no. 4130.0) and on the SIH Confidentialised Unit Record Files (CURFs).

The ABS household survey program provides for the inclusion of an expanded range of housing data in every third SIH cycle i.e. every six years, to provide periodic updates of the housing circumstances of Australians following the 1999 Australian Housing Survey. The collection of additional housing topics with SIH 2007–08 enables comparisons of the non-Indigenous results with similar items collected in respect of Indigenous Australians in the 2008 National Aboriginal and Torres Strait Islander Social Survey (NATSISS).

The additional housing topics selected for inclusion in SIH 2007–08 were determined through consultation with major users of Australian housing statistics. Potential topics were prioritised and tested before the final selection of topics was made.

### ADDITIONAL TOPICS

The additional housing topics selected for inclusion in SIH 2007–08, including main data items, are set out below:

- Housing mobility
  - Number of years lived in current dwelling
  - Number of times moved in the last 5 years
  - Structure of previous dwelling
  - Location of previous dwelling
  - Tenure and landlord type of previous dwelling
  - Reasons for last move
  - Likelihood of moving in the next 12 months
  - Barriers to moving
- Housing condition and dwelling characteristics
  - Major structural problems
  - Repairs and maintenance undertaken in past 12 months
  - Sources of water and energy
  - Satisfaction with current dwelling
  - Smoke alarm fitted
- Home purchase for first home buyers
  - Sources of home deposit
  - Size of home deposit
  - Sources of monetary assistance to purchase dwelling
  - Purchase price of dwelling
- Household finances of owners with a mortgage
  - Whether re-financed loan for property in the last 2 years
  - Reasons for re-financing
  - Whether paid above minimum repayments
  - Number of years remaining on loan contract
- Rental arrangements and the affairs of renters
  - Length of lease
  - Length of time remaining on lease
  - Amount of bond paid
  - Non-monetary exchanges provided by or to the tenant
  - Whether have been refused rental accommodation in last five years
  - Whether on public housing waiting list
  - Number of years that respondent has rented (in all rentals)



## APPENDIX 6 ADDITIONAL HOUSING TOPICS, 2007–08 *continued*

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### ADDITIONAL TOPICS *continued*

- Neighbourhood
  - Feelings of safety at home alone during the day and after dark
  - Ability to ask for small favours
  - Perceived level of difficulty with transport

A comprehensive list of the additional data items will be made available in *Survey of Income and Housing - Confidentialised Unit Record Files, Technical Manual, 2007–08* (cat. no. 6541.0).

From 2007–08 onwards, the SIH will regularly collect tenure and landlord information for persons and income units, and whether persons and income units are currently in receipt of Commonwealth Rent Assistance.

### ABS RELEASES

The regular and additional housing data items collected in SIH 2007–08 will be available for use on the *Microdata: Income and Housing, Basic and Expanded CURF on CD-ROM/RADL, Australia, 2007–08* (cat. no. 6541.0.30.001), expected to be released in August 2009.

Summary housing data from SIH 2007–08 will be released in November 2009 in:

- *Housing Occupancy and Costs, Australia, 2007–08* (cat. no. 4130.0)
- *Housing Mobility and Conditions, Australia, 2007–08* (cat. no. 4130.0.55.002)

*Housing Occupancy and Costs, Australia, 2007–08* (cat. no. 4130.0) will present the housing data that are collected every two years in the SIH. It will include data on housing occupancy and costs, and relate these to characteristics of occupants and dwellings such as tenure, family composition, dwelling structure, age of household reference person and income. A feature article on first home buyers will be included.

The additional housing content collected in the 2007–08 SIH will be published in the *Housing Mobility and Conditions, Australia, 2007–08* (cat. no. 4130.0.55.002). Data on mobility, condition of dwelling, satisfaction with dwelling, feelings of safety, difficulty with transport, re-financing, first home buyers and renters will be included.

## APPENDIX SAMPLING VARIABILITY

### INTRODUCTION

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

One measure of the likely difference is given by the standard error (SE), which indicates the extent to which an estimate might have varied 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 figure that would have been obtained if all dwellings had been included, 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 in percentage terms (RSE). Thus, larger sample estimates will be relatively more reliable than smaller estimates.

In the tables in this publication, only estimates with RSEs of 25% or less are 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 of 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 25% or less.

RSEs for all tables are provided. The RSEs have been derived using the 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 the RSE is given by:

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

#### *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, but there is no straightforward way of estimating how much lower.

### SIGNIFICANCE TESTING

Statistical significance testing can be undertaken to determine whether it is likely that there is a difference between two estimates from different samples. The standard error for the difference between two estimates can be calculated using the formula in the paragraph above. This standard error is used to calculate the following test statistic:

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

**APPENDIX SAMPLING VARIABILITY** *continued*

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SIGNIFICANCE TESTING  
*continued*

If the value of this test statistic is greater than 1.96 then there are 19 chances in 20 that there is a real difference in the two populations with respect to that characteristic. Otherwise, it cannot be stated with confidence that there is a real difference between the populations.

## GLOSSARY

<b>Balance of state</b>	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.
<b>Capital city</b>	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.
<b>Child Care Benefit (CCB)</b>	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.
<b>Child Care Tax Rebate (CCTR)</b>	A tax offset, passed by Parliament in December 2005. In general terms, as a result of the Child Care Tax Rebate, families with a tax liability will be eligible for 30 percent, as at June 2008, of out-of-pocket expenses incurred for approved child care, up to a maximum of \$4,354 per child per year. The CCTR applies to out-of-pocket expenses for approved child care. The CCTR is available for families who receive Child Care Benefit (CCB) and meet the CCB work, study and training test.
<b>Collection District (CD)</b>	The Census Collection District (CD) is the smallest geographic area defined in the <i>Australian Standard Geographical Classification (ASGC)</i> (cat. no. 1216.0).
<b>Commonwealth Rent Assistance (CRA)</b>	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.
<b>Consumer Price Index (CPI)</b>	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.
<b>Cost of child care</b>	The cost, gross of Child Care Benefit, 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. Information on the Child Care Tax Rebate was not included as part of the survey.
<b>Couple</b>	See One family households.
<b>Couple family with dependent children</b>	See One family households.
<b>Deciles</b>	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.
<b>Dependent children</b>	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.
<b>Disposable income</b>	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.
<b>Employed</b>	Persons aged 15 years and over who, during the week before the interview: <ul style="list-style-type: none"> <li>■ 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)</li> </ul>

## GLOSSARY *continued*

<b>Employed</b> <i>continued</i>	<ul style="list-style-type: none"><li>■ worked one hour or more, without pay, in a family business or on a family farm</li><li>■ had a job, business or farm but was not at work because of holidays, sickness or other reason.</li></ul>
<b>Employee</b>	An employed person who, for most of his/her working hours: <ul style="list-style-type: none"><li>■ 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</li><li>■ operates their own incorporated business with or without employees.</li></ul>
<b>Employer</b>	A person who operates his or her own unincorporated business or engages independently in a profession or trade, and hires one or more employees.
<b>Employment income</b>	See Wages and salaries.
<b>Equivalised disposable household income</b>	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.
<b>Family</b>	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.
<b>Family composition of household</b>	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.
<b>Formal child care</b>	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.
<b>Full–time student</b>	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.
<b>Gini coefficient</b>	A summary measure of inequality of income distribution. For further information see Appendix 1.
<b>Government pensions and allowances</b>	<p>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.</p> <p>The one–off payments to carers and to older Australians paid in 2006–07 and 2007–08 are included. Family Tax Benefit, Baby Bonus (formerly known as Maternity Payment) and Child Disability Assistance Payment paid to recipients of Carer Allowance are also included in government pensions and allowances.</p>
<b>Gross imputed rent</b>	The estimated market rent that a dwelling would attract if it were to be commercially rented.
<b>Gross income</b>	Income from all sources, whether monetary or in kind, before income tax or the Medicare levy are deducted.
<b>Group household</b>	See Non–family household.
<b>Household</b>	A person living alone or a group of related or unrelated people who usually live in the same private dwelling.

## GLOSSARY *continued*

<b>Income</b>	<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"><li>■ 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</li><li>■ profit/loss from own unincorporated business (including partnerships)</li><li>■ net investment income (interest, rent, dividends, royalties)</li><li>■ government pensions and allowances</li><li>■ 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).</li></ul> <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 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>
<b>Income unit</b>	<p>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.</p>
<b>Incorporated business</b>	<p>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.</p>
<b>Informal child care</b>	<p>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.</p>
<b>Labour force status</b>	<p>Classifies all persons aged 15 years and over according to whether they were employed, unemployed or not in the labour force.</p>
<b>Landlord type</b>	<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"><li>■ state/territory housing authority—where the household pays rent to a state or territory housing authority or trust</li><li>■ private landlords—where the household pays rent to a real estate agent or to another person not in the same household</li><li>■ 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.</li></ul>
<b>Lone person household</b>	<p>See Non-family households.</p>
<b>Mean income</b>	<p>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.</p>
<b>Median income</b>	<p>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.</p>
<b>Medicare levy</b>	<p>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.</p>

## GLOSSARY *continued*

<b>Multiple family household</b>	A household containing two or more families. Unrelated individuals may also be present.
<b>Negative income</b>	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.
<b>Net imputed rent</b>	Gross imputed rent less housing costs. Net imputed rent is an estimate of the value for the flow of household consumption services conferred by 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"><li>■ rates payments (general and water)</li><li>■ body corporate fees</li><li>■ the interest component of repayments of loans that were obtained for the purposes of purchasing or building</li><li>■ rent payments</li><li>■ house insurance costs</li><li>■ repair and maintenance costs.</li></ul>
<b>Net worth</b>	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.
<b>Non-dependent children</b>	Persons aged 15 years and over who: <ul style="list-style-type: none"><li>■ do not have a spouse or offspring of their own in the household</li><li>■ have a parent in the household</li><li>■ are not full-time students aged 15–24 years.</li></ul>
<b>Non-family household</b>	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"><li>■ 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.</li><li>■ Lone person household—a household consisting of a person living alone.</li></ul>
<b>Not in the labour force</b>	Persons not in the categories employed or unemployed as defined.
<b>One family households</b>	One family households are classified to one of the following categories: <ul style="list-style-type: none"><li>■ Couple only—two persons in a registered or de facto marriage, who usually live in the same household</li><li>■ 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</li><li>■ 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</li><li>■ Other one family households—a household comprising:<ul style="list-style-type: none"><li>■ one couple with their non-dependent children only</li><li>■ one couple, with or without non-dependent children, plus other relatives</li><li>■ one couple, with or without non-dependent children or other relatives, plus unrelated individuals</li><li>■ a lone parent with his/her non-dependent children, with or without other relatives and unrelated individuals</li><li>■ two or more related individuals where the relationship is not a couple relationship or a parent-child relationship (e.g. two brothers).</li></ul></li></ul>
<b>One parent family with dependent children</b>	See One family households.

## GLOSSARY *continued*

<b>Other income</b>	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.
<b>Other one family households</b>	See One family households.
<b>Other tenure type</b>	A household which is not an owner (with or without a mortgage), or a renter. Includes rent free.
<b>Own account worker</b>	A person who operates his or her own unincorporated business or engages independently in a profession or trade and hires no employees.
<b>Own unincorporated business income</b>	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.
<b>Owner (of dwelling)</b>	A household in which at least one member owns the dwelling in which the household members usually reside. Owners are divided into two categories—owners 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.
<b>Percentiles</b>	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.
<b>Preschool</b>	Educational and developmental programs for children in the year (or in some jurisdictions, two years) before they begin full-time primary education.
<b>Principal source of income</b>	That source from which the most positive income is received. If total income is nil or negative the principal source is undefined. As there are several possible sources, the principal source may account for less than 50% of gross income.
<b>Quintiles</b>	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.
<b>Ratio of household incomes at top of selected income percentiles</b>	See Percentiles.
<b>Reference person</b>	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: <ul style="list-style-type: none"><li>■ the person with the highest tenure when ranked as follows: owner without a mortgage, owner with a mortgage, renter, other tenure</li><li>■ one of the partners in a registered or de facto marriage, with dependent children</li><li>■ one of the partners in a registered or de facto marriage, without dependent children</li><li>■ a lone parent with dependent children</li><li>■ the person with the highest income</li></ul>



## GLOSSARY *continued*

<b>Reference person <i>continued</i></b>	<ul style="list-style-type: none"> <li>■ the eldest person.</li> </ul>
<b>Relative standard error (RSE)</b>	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 7.
<b>Renter</b>	A household which pays rent to reside in the dwelling. See further classification by Landlord type.
<b>Salary packaging</b>	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.
<b>Salary sacrifice</b>	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.
<b>Selected dwelling</b>	The private dwelling selected in the sample for the survey.
<b>Significant person</b>	Significant persons are defined as follows: <ul style="list-style-type: none"> <li>■ all members of lone person or couple only households</li> <li>■ all parents in a couple with children household or a single parent household</li> <li>■ 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</li> <li>■ 50% of the persons aged 15 years and over in all other households.</li> </ul>
<b>Standard error</b>	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 7.
<b>Statistical Division (SD)</b>	The largest spatial units within each state/territory in the main structure of the <i>Australian Standard Geographical Classification (ASGC)</i> (cat. no. 1216.0).
<b>Tenure type</b>	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.
<b>Trusts</b>	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.
<b>Unemployed</b>	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"> <li>■ were available for work in the week before the interview, or</li> <li>■ 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.</li> </ul>
<b>Unincorporated business</b>	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.
<b>Wage and salary income</b>	See Wages and salaries.

## **GLOSSARY** *continued*

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**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.



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