



Redistribution of income in Australia

**Table 1:** Changes to the personal income tax system

2011-12 taxable income range	Tax rate	2016-17 taxable income range	Tax rate	2019-20 taxable income range	Tax rate	2019-20 taxable income range	Tax rate
0 - \$6,000	0%	0-\$18,200	0%	0-\$18,200	0%	0-\$18,200	0%
\$6,001 - \$37,000	15%	\$18,201-\$37,000	19%	\$18,201-\$37,000	19%	\$18,201-\$45,000	16%
\$37,001 - \$80,000	30%	\$37,001-\$87,000	32.5%	\$37,001-\$90,000	32.5%	\$45,001-\$135,000	30%
\$80,001 - \$180,000	37%	\$87,001-\$180,000	37%	\$90,001-\$180,000	37%	\$135,001-\$190,000	37%
\$180,001 +	45%	\$180,001 +	45%	\$180,001 +	45%	\$190,001 +	45%

Table 2: The tax rate applied to different incomes in 2012 compared with 2017

Income	Tax payable		Difference in tax paid	Percentage decrease
	2011	2017		
\$18,000	\$1,800	0	\$1,800	100%
\$35,000	\$4,350	\$3,192	\$19,717	26.62%
\$50,000	\$8,550	\$7,797	\$3,572	8.81%
\$85,000	\$19,400	\$19,172	\$228	1.18%
\$100,000	\$24,950	\$24,632	\$318	1.27%
\$150,000	\$43,450	\$43,132	\$318	0.73%
\$180,000	\$54,550	\$54,232	\$318	0.58%
\$250,000	\$86,050	\$85,732	\$318	0.37%

**Table 3:** Summary of 2022–24 expenses – social welfare payments

Type of Assistance	2022–23 - \$m	2023–24 - \$m
Assistance to the aged	\$82,946	\$94,849
Assistance to veterans and dependents	\$8,105	\$11,002
Assistance to people with disabilities	\$69,126	\$78,996
Assistance to families with children	\$38,399	\$44,107
Assistance to the unemployed and the sick	\$14,006	\$14,859
Other welfare programs	\$2,370	\$1,622
Assistance to Indigenous Australians	\$2,735	\$2,853
General administration	\$5,224	\$4,853
Total social security and welfare	\$222,911	\$253,184

Source: Australia *Final Budget Outcome 2023-24***Table 4:** Contribution of government pensions and allowances to gross household income 2019–20

Contribution of government payments to household income	%
Nil or less than 1%	58%
1% to less than 20%	11.5%
20% to less than 50%	8.1%
50% to less than 90%	7%
90% and over	14.8%
Total	100.0%

Source: ABS - *Household Income and Wealth, Australia, 2019-20***Table 5:** Gross weekly household income by quintile (2019–20)

	Quintile					
	Lowest	Second	Third	Fourth	Highest	Average
Private income	\$132	\$732	\$1,599	\$2,631	\$5,465	\$2,112
Government pensions and allowances	\$349	\$349	\$194	\$125	\$76	\$217
Gross income	\$481	\$1,181	\$1,791	\$2,753	\$5,539	\$2,329
Taxes on income	\$4	\$66	\$231	\$472	\$1,428	\$440
Disposable income	\$477	\$1,015	\$1,560	\$2,281	\$4,111	\$1,889

Source: ABS - *Household Income and Wealth, Australia, 2019-20*

¹ To analyse the way that income is shared across households in Australia, households are ranked from lowest to highest income or wealth and then divided into 5 equal groups with 20% of the population in each group (quintiles).