Women's Electoral Lobby Australia Inc.
66 Albion St, Surry Hills 2010

Contact: Eva Cox
02 9660 3028 eva.cox@uts.edu.au

Tax Submission to the Henry Review from WEL Australia

Prepared by Eva Cox with Melanie Fernandez
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Specific Recommendations

These proposals below derive directly and indirectly from the submission but are not necessarily related to specific sections as they create a total package for a fairer taxation and transfer system.

Fairness and equity

1. Integrate the taxation and transfer systems and recognise individual needs in both.
2. Ensure that the total tax take as a proportion of GDP is maintained and preferably raised to increase funding for public services in health. Maintain the dependence on the progressive income taxes.
3. Explore wealth tax options and reduce payments such as capital gains tax that just benefit the rich.
4. Provide incentives for lower income earners to create savings for other life cycle needs other than retirement eg child bearing and housing.
5. Adequately fund education, health, community and welfare services and provide a better social wage.
6. Pay a universal aged pension at current full payment levels and remove all superannuation tax concessions.
7. Provide an income tested top up for those retired but with limited or no private income.
8. Offer a non income tested mobility and disability payment system which covers the costs of transport, personal care and other supports that are needed to participate in life and maybe in paid work.
9. Deductions from taxable personal income should be minimised or abolished as they advantage high income earners. Where some form of public support is necessary, this should be paid by a specific payment or tax credit.

10. Rebates on health insurance and refunds of higher health care costs should be abolished and replaced with better public health systems.

Redressing gender inequities

11. Address the inbuilt biases in the system that derive from prejudiced assumptions, unequal pay, differing work patterns and unpaid care of others that affect women's incomes.
12. Abolish the differential advantages of tax expenditures for high income earners (mainly male) and the disadvantages of transfer payments for low income recipients (mainly female).
13. Fund universal paid maternity/parental leave for all in the workforce. Pay a universal payments for children (like previous child endowment) to compensate for costs, based on FTB A but paid to all families at 50% of current top payments.
14. Abolish FTB B which has no logic for partnered couples but give a sole parent payments that recognises that sole parents have costs and care needs that differ from two parent families and need additional income.
15. Provide an additional income tested child supplement for low income families but with a withdrawal rate that starts at the median wage.
16. Abolish enforced assessments of de facto relationships and allow people to self identify as couples and commit to sharing resources unless married or registered as de factos under a legally robust system. NB This has been covered in some detail below.
17. Recognise carer costs and time with a realistic payment that is not income tested with additional payments if the demands are full time.
18. Raise the subsidies to personal and other forms of care services so employed carers can be adequately paid.

This is the third submission WELA has made to the Review, the two previous ones were directed to the Harmer process. We include a brief edited extract of the first WELA submission to the Pension Review.

Changes to the pension and benefit system are always fraught because of the very mixed views in the community about who is entitled to public support. WELA would therefore support an independent body to set rates, changes and rises, an arms length process to counter political populism and moral panics. An independent body could start by restructuring a total retirement package of over $50 B per annum, which is currently grossly maldistributed.

Past assumption of the welfare sector has promoted rates of payment tied to the aged pension. However, this has not worked so we are suggesting a basic income system with differentiated top ups to match diverse needs and life cycle status to achieve equity. Add fewer, often false assumptions about cohabiting and shift to horizontal equity payments that recognise additional claims for public support and we will achieve a more resilient and just society.

Section One

What type of society do Australians want?

Q1.1 In considering the community's aspirations for the type of society that Australia should become over the next two decades and beyond, which key features should inform or drive the future design of the Australian tax-transfer system?

This question is the starting point for the Henry Tax Review and hopefully will lead to a major overhaul of the Australian taxation and payments system. Its importance is that it puts society back on the economic agenda, rather than the failed neoliberal policy emphasis on markets, which ideally minimises both tax and public sectors.

The following submission outlines the reasons for our recommendations and starts with our vision of society. Our recommendations represent some specific points we wish to make in support of our general contention: that the tax system must be used to make Australia both fairer and more efficient. As a voluntary organisation, we have limited resources and are aware and support other submissions, particularly that of the NFAW, which are involved in looking in more detail at various payments and their interactions.

The taxation/transfer system is the de facto expression of the role of government as collector and distributor of resources. In an increasingly uncertain future for both resources and their appropriate financial management, governments need to offer leadership by being seen as both fair and effective in their revenue collection and distribution. This creates a broad based legitimacy for those in power and establishes the role of government as both equitable legislator and reducer of collective risks that create high trust, ethical societies. This in turn creates the social connections and resilience that will enable us to face environmental and financial crises without social breakdown.

There needs to be strong counters to the often promoted view of taxation as theft from the entrepreneurial and the thrifty, and of welfare payments as encouraging sleaze and sloth. This is fortunately not the majority view, but attitudes too often retain vestiges of discredited views about the supremacy of the market and the evils of government interventions into the affairs of 'men'. They derive from a limited view of human nature as basically Hobbesian self interested individualism: nasty and brutish, but wealth creating.

This may be an extreme version but the assumptions play out in many policy areas. As an example, few question the legitimacy of tax deductions and rebates going to those who do not need them but many will get apoplectic at so-called middle class welfare. For example, the public/media response to $5000 superannuation or capital gains tax reduction versus a $5000 baby bonus for all suggests irrationality, as the cost to the budget is the same. The current differentiation between tax expenditures and transfer payments needs to be addressed as do the basic assumptions about merit and benefit. Tax deductions, concessions and rebates should no longer be seen as entitlements that are not costs on the system. As the financial outcomes for the budget are the same, the question of changing how payments are seen has to be part of any discussion of the future of both payment systems.

Q1.2 Assuming that the absolute size of government will not fall, should (and can) Australia nonetheless aim to reduce the burden of taxation over time by promoting faster economic growth than public spending growth? Can it be demonstrated that alternative tax policies could help deliver that outcome?

Why does the Review assume tax is a burden? This should not be an official viewpoint. While some may complain that taxes are too high, this view should not be legitimised. Official documents should counter the often promoted view that 'taxation is theft from the entrepreneurial and the thrifty and welfare payments encourage sleaze and sloth'. This self serving myth is too often reflected in the media and by spinners who claim these prejudices are widespread. As Ross Gittins has pointed out, even when surveys consistently show that people are prepared to pay higher taxes for services, the results are not believed by politicians (Gittins: 2004).

The cries of 'taxes are bad' derive from currently discredited views about the supremacy of the market and the evils of government interventions that limit individuals' freedom. The proposals below are based on the idea that humans are essentially connected and interdependent and that it is usually our relationships that define us. Therefore the tax system needs to fund shared services and balance individual desires with working collectively and pooling funds for the common good. The basis for a better tax system should be the sharing of resources in a way that signals a fairer redistribution of both risks and rewards.

Unmet needs and inequities

Current unmet needs and inequities will grow. So the total tax to GDP ratio must not fall below its current level, and should be increased. There are public funding gaps that should be reduced, for example by increasing payments for people who cannot earn enough to support themselves and often their dependents. Many low paid workers are women, whose pay rates are affected by the ongoing undervaluing of feminised jobs, such as child carers, and the proportion of unpaid care that they provide. Extra public funding for community organisations' wages and services is therefore another example of where more money is needed. These payments contribute to both family well-being and economic growth.

The assumption in the above question is that economic growth is in opposition to public sector growth, that more public spending crowds out private investment.

This is not proven and the current global economic crisis suggests it may well be quite wrong.

Raising taxes

There should be more acknowledgement of entitlement to payment and less moralising about these, as well as recognition that paying tax should be seen, not as a burden, but as both a responsibility and privilege by those who can earn more than adequate income. Therefore we would support the raising of the proportion of GDP that is covered by tax revenues as we believe there are many needs not currently being met. Raising taxes equitably may well be necessary to meet goals of redistributive fairness, good quality non-market services, environmental sustainability and the population challenges of ageing etc.

Why are feminist viewpoints important?

Most women are acutely aware that their own needs, and the needs they are expected to meet, are not those that can be easily offered by markets. Therefore, publicly funded collective provisions of personal services and income support are often more important to women than men. Women are still the main unpaid carers in households, so they may need services to enable themselves, and those needing care, to be provided by others outside of the home.

Care was once primarily something that occurred in households and if these could not offer it, there was no alternative. However, just as the industrial revolution moved production of goods out of the home, so services have also become external. Education, health and personal services are now seen as contributing to both individual/family quality of life and the public good.

To sum up, those committed to UN goals of human rights and equity are very aware that both the size and quality of the public sector are important to both women and the total society. Therefore we support a tax system that both collects revenues fairly and at a level adequate to meet the social needs of the nation state. The tax system must have the capacity to redistribute resources both over the individual's life span and between groups and individuals to create acceptable and equitable levels of public and private well-being.

Therefore we would be concerned if the total tax ration to GDP fell below its current level as there are already demands for more services, better subsidies for wages and other costs as well as the need for better payments to subsidise continuing private unpaid care, such as paid parental leave.

Section Two

How do we do it?

The following sections deal with the more specific issues that are raised in further questions by the Review.

Q3.2 Does Australia's tax system penalise (or favour) the returns to savings relative to other activities and should this lead to changes in the structure of taxes and means tests?

Q3.3 Does Australia's tax-transfer system appropriately deal with property and wealth, or should new approaches be introduced? What, if any, implications would any changes have for the taxation (or means testing) of capital income flowing from property and wealth?

Property, wealth and assets in Australia are still held unequally between women and men; women have far fewer assets than men throughout their lifecycle. There is already recognition that superannuation is inequitably supported by the tax system. In addition WELA supports wider policy changes that recognise the benefits of enabling all lower income individuals, in particular women, to save and accumulate key assets for housing, education and income security through their lifetime and not just for retirement.

For example, rather than subsidising capital gains on sale of assets that have already been purchased, through the capital gains tax discount or the main residence exemption, which benefit most high income individuals, the government should be seeking to support low and mid-income individuals to save and invest in housing and other forms of security through their lifetime. Additional funding of paid maternity leave, and maybe access to forms of savings that can be used to fund time out of paid work and other strategies could assist fairer public support for distributions of savings and assets through the life cycle.

Forms of wealth tax, such as death duties (but not between couples), or net worth taxes could be used to subsidies some redistributive payments. The reintroduction of a Federal estate/gift or wealth tax with a high threshold and low rates would provide some revenue to assist in preventing extreme gender based inequalities.

Q4.3 Is the personal income tax base appropriately defined? Should reforms such as changes to the scope of deductions or other measures be considered?

Currently, the personal income tax base provides numerous subsidies to high income earners rather than low income earners. For example, deductions for work-related expenses such as education are of most value to high income earners. Such deductions should be converted to refundable tax credits and be made available to all income-earners, capped at a ceiling amount.

The unit of payment/assessment

Q4.7 Are the current categorical distinctions for income support, including rates of payment and income tests, still relevant? If not, would other categories be better? What goals or principles should guide categorical distinctions and associated payment rates?

The following section explores two related issues: one is the broader issue of the individual entitlements in the tax system not being reflected in the transfer system and some areas of tax; the second illustrates the problems of assuming that couples do share income by looking at the situation of de facto couples. While we would prefer to see entitlements being assessed as individual in the payment system as well as the tax system, we recognise that some couples do commit to sharing resources, often by differentiating roles. However, we certainly support the rights of couples, particularly those with no agreed legal obligations, to keep their financial affairs separate and not to be income tested for certain payments under assumptions that they are responsible for the other's upkeep.

Our concerns start with questions of the relationship between the tax and the transfer systems. The taxation system is based on individual income with few crossovers into relationships with others. On the other hand, the transfer/payment systems are income tested and therefore based, in most cases, on joint income of those defined as 'couples'. These payments therefore make assumptions about the operation of these relationships and the putative sharing of resources between partners (presumed) as well as between parents and children over the legal age of adulthood. Our main concerns in this submission are the ways in which such payment legislation/practice define couples. We also wish to note the problem, as outlined above, of an unfortunate confusion in public views about entitlements that parallel these different redistributive systems. The effect raises gender issues, as there is a preponderance of women in the transfer system and men who benefit from tax expenditures.

This problem of assessing entitlements suggests a case can be made for the income support transfer system not being automatically assessed on a partnered basis. The official assumption is that all partners share incomes, as well as many parents with adult children. These types of assumptions reduce the rates of payments to those presumed to be supported by others or sharing costs. In the area of partnered payments, the potential savings push Centrelink into making decisions on the existence of such shared resources, even when the individuals deny this sharing occurs. Where this is applied to presumed partners it is based on an outdated set of assumptions about marriage-like relationships which assumes a male breadwinner in paid work, supported by the domestic chores of the usually female partner. Such assumptions need to be re-examined, as the bulk of partner households now contain multiple earners and same sex couples are being included.

The policy of assessing de facto relationships as sharing resources often fails to recognise the rights of individuals to define their independence and dependence within the taxation system. The 1975 Asprey Report devoted an entire chapter to considering the possibility of joint or family unit taxation, but concluded that it was a right to be individually taxed. The 1983 Draft White Paper also dealt with the issue and arrived at the same conclusion. In reviews of the unit of assessment used in the taxation system the conclusion is invariably that individual assessment is the right of the taxpayer and protects their autonomy. Why then is there no recognition that the transfer system's unit of assessment is disjoint from the tax system's unit of assessment and may, in the same manner, threaten to deny citizens their autonomy? Why have conclusions about taxpayers' rights and autonomy not been extrapolated to apply to transfer payment recipients? The intersection of the tax and transfer systems must be further considered and the differences between the two systems addressed.

We suggest that transfer entitlements should be assessed for individuals and not based on assumptions of shared income. The exception could be where there was an explicit contract, such as marriage or a registered agreement to share financial resources and support the other. This still leaves open the question of whether couples have lower needs than two singles sharing accommodation and whether marriage does cover obligations to support the spouse. For many couples, and in particular the female partner and same sex couples, the right to have and control one's own income is very important.

The coupling assumptions that derive from assumed gender based differential power and contributions from partners, such as one breadwinner/one domestic contributor (paid and unpaid work), do not mirror the experiences of an increasing number of couples. The problems are well illustrated in the case of many same sex couples. In Australia the proportion of primarily male breadwinner households has declined since 1984 from half of households to less than one third and multiple income families make up well over half of Australian families (Pocock: 2005). Sharing based on assumed differentiated paid and unpaid contributions may not work well for two people who have parallel roles. It is interesting to note that many heterosexual, similar-income couples now also keep their finances explicitly separate in both married and de facto relationships.

The increasing numbers and proportions of heterosexual couples that do not involve themselves in the marriage contract suggest that many aspects of this model do not meet their needs. Marriage data reflects a continuing trend for more Australian couples to cohabit prior to marriage, increasing from only 16 per cent in 1975, to 27 per cent in 1983, 67 per cent in 1998 and by 2007 76.8 per cent of the 116,322 couples who registered a marriage had cohabited prior to marriage (Office for Women: 2009). From 1996 to 2006, the census count of individuals aged 15 years and above in de facto relationships rose by 62.7 per cent from 763,660 to 1,242,793 (Office for Women: 2009). In 2006, de facto partners represented 14.8 per cent of all those living as socially married (Office for Women: 2009). In the last 30 years the number of Australians choosing to cohabit at some point in their life has risen from 16 per cent to 60 per cent (Baxter et al.: 2005).

Marriage is a formal, legal process that legitimates certain commitments by the parties to sharing resources. While this may often not be tested until problems arise, obligations exist that are explicitly spelled out in the Family Law Act and enacted as tests of mutual obligation in many other areas of law. However, basing formal legal obligations on a set of assumptions for heterosexual couples who have not made similar legal commitments is always going to be problematic. Where the presumed twosome is the same sex and has no way of formally/legally plighting their troth, it becomes even more difficult.

Cohabitation is not a formalised institution like marriage; it is not contractual and is ambiguously defined. Jo Lindsay argues cohabitation is a socially ambiguous state, without an attached shared social understanding, symbolic ritual or means of recognition (Lindsay: 2000). Lindsay conducted an in-depth qualitative investigation into young Australian cohabiters and concluded that for cohabiters, the choice to live together is one of practicality and convenience, rather than commitment (Lindsay: 2000). Cohabiting relationships are not the contractual commitment of marriage, they are seen as less legally binding, less of a financial commitment and a more flexible framework allowing individuals to negotiate their roles (Bumpass et al.: 1991). It is important to gain a proper understanding of the diversity of cohabitation and of the difference from formal de facto relationships before attempting to regulate them and impose family models of dependence that are not necessarily appropriate. Sociological investigations into cohabiting relationships consistently conclude that they are a diverse cohort and that this diversity must not be overlooked (Gray & Evans: 2008, Lindsay: 2000, Probert: 2004, Vogler: 2005). There must be a formalised process for registering a relationship if that relationship is going to impact on a citizen's entitlements or obligations. Models of such legislative and policy responses to the change in family formation can be seen in the international context, particularly in many European judiciaries such as France, Belgium and Scandinavian states (Barlow: 2004, Kienan: 2004).

If there is no formal, legal process for legitimising and defining a relationship it will always be problematic to impose rights and obligations on said relationship; particularly when these rights and obligations are conferred in accordance with outdated assumptions. The defining of couples in the transfer system and its administration has illustrated the difficulty in assessing relationships that have not been made contractually explicit. It is a concern that this can result in invasive surveillance and, as has been argued by Tranter et al., the unfair targeting of vulnerable clients by the administrative organisation (Tranter et al.: 2008). Tranter et al. draw on Administrative Appeal Tribunal decisions for 2005-2007 and interviews with Centrelink clients who have been involved in a cohabitation decision and find that participants report feelings of powerlessness, pre-judged guilt and threats by Centrelink officers to discontinue payment or of imprisonment on charges of fraud (Tranter et al.: 2008). Tranter et al. argue that the uncertain and open-ended nature of the cohabitation rule allows for this subjective interpretation and oppressive implementation (Tranter et al.: 2008). The level of intrusion into personal matters and private relationships permitted by this administration is concerning, particularly when non-fiscal matters such as sexual behaviour are brought under investigation.

Much of the literature on cohabitation, and particularly that which specifically touches on fiscal issues, draws attention to the lack of research on cohabitation and particularly monetary organisation within de facto relationships (Ressler & Waters: 1995, Khoo: 1987). It is concerning that many judgments are being made on how financial resources are shared in cohabiting relationships when there has seemingly been little investigation to justify these assumptions. The sociological research that has been conducted into the organisation and division of financial resources in cohabiting relationships has concluded that money operates differently in marital relationships than in de facto relationships (Gray & Evans: 2008, Singh & Lindsay: 1996). Through a qualitative study of Australian Anglo-Celtic heterosexual married and cohabiting couples' treatment of money, Singh and Lindsay conclude that money is qualitatively different in these two relationship formations (Singh & Lindsay: 1996). Married money is typified by joint bank accounts and is indefinable and unaccountable, where as in de facto couples money is separate, individual and calculable with separate bank accounts and sometimes pooled resources (Singh & Lindsay: 1996).

The transfer system remains entrenched with ideology of the traditional family structure. The current transfer system attempts to normalise and makes legitimate certain family structures, namely a breadwinner/homemaker model, while excluding and discriminating against alternative family units (Stewart: 1999). Reforms to include same sex cohabiting couples as a family unit for assessment provide one source of equality, yet do not address entrenched patriarchal ideology in the understanding of relationships of dependence operating within a family (Stewart: 1999).

Locating cohabitation in a discourse of marriage, or marriage-like relationship, fails to accommodate the possibility that cohabitation is an alternative to marriage, a conscious lifestyle choice. This assumption about cohabitation must be dismantled and there must be recognition in the transfer system that there has been a fundamental shift in the structure of the family so modern families can be accommodated in their diverse forms. The family is no longer a static entity and the transfer system must accommodate the individuation, transitional nature and evolution of the modern family unit.

The effects of these assumptions on second income earners in couples and on their eligibility for certain types of payments are dealt with elsewhere and in submissions such as the NFAW. We have concentrated on the need for changes to occur that recognise the inappropriateness of assumptions about those who cohabit. We hope the issues will be seriously considered apart from changes in income testing that might reduce the impact on particular units.

The costs of means testing payments tend to be overlooked. Apart from the bureaucratic tangles and time taken to process, many other consequences need to be measured against any perceived cash savings. Where the payment is a replacement for other payments, such as income support, there are obvious arguments that forms of income testing are legitimate. However, wider use creates a myriad of other problems for both those who dispense payments and massively for recipients. Few can understand the complexity of estimating income and it leads to avoidance of extra income and certain activities.

Effective marginal tax rates (EMTR) are the total clawback that occurs at certain income points when recipients of income-tested benefits add in extra earned income. Its components include the withdrawal income support payments (30 to 100%), the normal tax at certain levels, the withdrawal of other benefits like state concessions, health care cards, and public housing rental levels. Extra money earned may actually reduce net income or make it not worthwhile to earn extra money, once additional costs like work costs, fares and child care are added on. These act as a disincentive for further workforce participation and are particularly problematic for those who may balance conflicting time demands.

What policy makers also often also omit to take into account are the psychological effects of policies. Many avoid earning because they are scared of losing the security of the payment and don't understand how it works.

Q4.8 What priority should be given to the different objectives associated with family assistance, such as poverty alleviation, recognising the social value of child rearing, facilitating workforce participation of parents, and early childhood education? Would it be better to provide less family assistance to higher income earners?
Q4.12 In a targeted system there is a trade-off between the level of income support and workforce incentives. Given this, what priority should be given to reducing the disincentives to work?

Q4.13 What structure of income tests and taxes would best support the increasing diversity of work and the need to increase workforce participation, and where should improved incentives be targeted?

WELA would like to suggest that a secure public sphere of better payments, services and funding may well create an economic environment that offers better capacity to take economic risks with social well-being secured. The use of wider income redistribution and better social wage payments together may create a much more creative and resilient society to deal with future tensions.

Looking more closely at income support systems, we need these to be seen as fair and also to reduce antagonism to higher taxes. This means wider use of payments for a range of circumstances not just the currently approved lot. As an example, middle class welfare is often code for a gender based issue and elicits gross disapproval. Payments that relate to child bearing and rearing are often seen as unnecessary if the family unit is not low income. In contrast tax expenditures, which provide higher income earners, mostly male, with rebates such as capital gains tax and super taxation are rarely derogated as upper class welfare. Those who receive tax deductions and rebates accept them as a right, even if they don't need them. Were more payments accepted as a right, then more people might become recipients and therefore support higher taxes.

This requires recasting the transfer payment system from being seen as only useful for vertical equity payments, i.e. shifts from higher to lower income people, to one that is based on ability to pay taxes and life cycle costs. The latter approach is referred to as horizontal equity. It pays to ensure similar spending power for people on similar incomes. Therefore payments to compensate for the costs of children, disability/mobility costs, for caring time, non-access to paid work and other socially approved activities should be appropriately subsidised for all who incur them, regardless of income.

Paying universal payments, together with a progressive tax system obviates the need to income test, stops people fiddling to get payments and stops the often negative views of those who just miss out. In countries with more of such payments, higher tax bases are seen to be much more legitimate.

The capacity for women to support themselves on earned income is still reduced by both wage rate inequities (in the way the value of feminised jobs, mainly as paid carers, is assessed) and the proportion of unpaid care that they provide. These financial deficits produce value for the community and the costs should be shared. Therefore we will outline what this means for both support, while not in paid work, or on inadequate wages, as well as retirement income.

This relates to how we see the functions of the tax system. If it is to create equity between those with more and less, that is one form of redistribution; however, if it is also based on the idea of compensating for costs and losses that affect capacity to pay, equity issues arise for those who have to bear time or financial costs for dependants, or for dealing with disability or other constraints.

Where such costs are identified as legitimately shared by the wider public, where such risks are not seen as fair to be borne individually, then payments need to be made that are not means tested. If caring, nurturing or costs of mobility, sole parenting and participation are regarded as more than personal goods, they should be subsidised to create equity between those who bear these costs and those, with similar earnings, who do not. Therefore these payments should be categorical and not means tested. Interestingly, some universal tax rebates/deductions are available in the tax system but are quite rare in the transfer system.

The tax system must be the public affirmation of our shared (public) responsibilities, so must have the capacity to redistribute resources both over the life span and between categories of groups and individuals to create the society we all would like to have. Minimising costs of the public sphere without considering equity and needs, involves exclusion, inequality, judgements, queuing and antagonism between those deemed eligible for payment and those just excluded.

Additionally, there are considerable advantages in universalising payments for children, costs of disabilities, limits to time because of care responsibilities and other such payments because they reduce employment disincentives. The current income tests add considerable effective marginal tax rates to any attempts to increase income past an often minimal tax free zone. As there is evidence that women are more responsive to higher taxing of income as they trade time for money, they are particularly affected by such payments. If the government is serious about lifting the participation rates, they need to look carefully at the disincentives of income testing such payments. The trade off could be that such payments are taxed at the normal marginal tax rate which retains the redistributive effects of progressive taxation.

It is almost impossible to improve incentives in the current system. Few recipients can fathom the complexities and often avoid any engagement with extra income options because of fear and confusion. Therefore increased participation depends on some bold simplifications of the complex system.

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