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The incidence of taxes and social service benefits in 1973

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I. Introduction

All households pay taxes of one kind or another, either directly in the form of income tax, surtax and national insurance contributions or indirectly through local rates and the taxes falling on the goods and services they buy. Much of the revenue from general taxation is used to finance the various social services, including State education, the national health services and housing subsidies, as well as payments in cash, from which practically all of us benefit at some stage in our lives. In general, these benefits can be valued in money terms and apportioned to individual households. But there are other services also paid for out of general taxation, such as defence, administration, the maintenance of law and order and various environmental services, which are difficult to apportion to individual households. While few would dispute that the community as a whole is better off with than without these services, most people would probably

not consider that they personally derive benefits from them that can be valued in money terms. There is, none the less, considerable interest in estimating and comparing the amounts which different households pay in contributions and taxes of various kinds and the values of the benefits they derive, personally and collectively, from the various social services which can be allocated to them.

The estimates presented here are based on detailed information obtained from private households taking part in the Family Expenditure Survey⁽²⁾ and are thus subject to the inevitable limitations of a relatively small sample. This article, the eleventh of a series, presents results for 1973 on a broadly similar basis to those published for earlier years⁽³⁾.

II. General notes on the estimates

The Family Expenditure Survey is a sample survey which has been carried out by the Department of Employment, with the assistance of the Social Survey Division of the

⁽¹⁾ Further references on this subject which may be of interest include:

Redistribution of Income in the United Kingdom in 1959, 1957 and 1953, J. L. Nicholson (Bowes and Bowes, London) (1965).

'The Welfare State and the Redistribution of Income,' A. T. Peacock and R. Shannon, *Westminster Bank Review*, August 1968.

'The distribution and redistribution of income in the United Kingdom,' J. L. Nicholson, *Poverty inequality and class structure*. Cambridge University Press, 1974.

'The redistribution of income,' J. L. Nicholson and A. J. C. Britton, and 'Future development of work in the Government Statistical Service on the distribution and redistribution of household income,' A. J. Boreham and M. Semple. To be published in the report on the Royal Economic Society's Conference on the Distribution of Incomes and Property, Lancaster 1974. (George Allen and Unwin).

⁽²⁾ For a description of these surveys and the general results, see *Family Expenditure Survey Report for 1973* and similar reports for earlier years, published for the Department of Employment by HMSO, and *Family Expenditure Survey—Handbook on the sample, fieldwork and coding procedures* by W. F. F. Kemsley, published for the Government Social Survey (now the Social Survey Division of the Office of Population Censuses and Surveys) by HMSO.

⁽³⁾ Estimates for 1957 and 1959, 1961 and 1962, 1963 and 1964, 1965 and 1966, 1967, 1968, 1969, 1970, 1971 and 1972 were published in *Economic Trends* in November 1962, February 1964, August 1966, February 1968, 1969, 1970, 1971, 1972, November 1972 and 1973 and additional estimates for low income households in July 1968.

Office of Population Censuses and Surveys, on a continuous basis since 1957. In 1973, 7,126 households co-operated. Every household is asked to give detailed information about income, including national insurance and other cash benefits received from the State; payments of income tax and surtax; the type of dwelling occupied; the kind of education which any member of the household is receiving; and so on. Each household is also asked to provide details of regular items of expenditure, such as rent and rates, gas, electricity and telephone accounts; goods bought on hire purchase during the last three months; purchases of cars during the last twelve months; and to keep a full record of all expenditure incurred during fourteen consecutive days.

On the basis of this information estimates are made of the taxes paid and benefits received by each household, some of these estimates depending on the income size, and circumstances of the household, others (indirect taxes) depending on its pattern of expenditure. Households are then classified by size-type and by range of original income. Original income is defined as the sum of incomes in cash and kind (as measured in the survey) before the deduction of taxes and addition of State benefits included in the analysis. Average taxes and benefits are calculated for households falling in different income ranges. Definitions of households, income, and the taxes and benefits covered, are given in Appendix I. Changes in these definitions which have been introduced at different times during the years covered by the series of articles are noted in Appendix II. Comments on the accuracy of of the data are shown in Appendix III.

III. Problems of interpretation

The present estimates of the incidence of taxes and benefits are derived as straightforwardly as possible from the data on income and expenditure recorded in the Family Expenditure Survey. The amounts of income tax and surtax paid by each household are recorded and it is assumed that the full amount of indirect taxes (including those on intermediate products) on goods and services bought by households are included in the prices paid. State benefits in cash are taken to increase a household's income by the amount of cash received; the costs of administration are not counted as part of the benefit. Benefits in kind provided by the State, for example, the national health services and State education, should perhaps be measured in terms of the values placed upon them by the households themselves, but since this information is not available they are measured here by their net cost to public authorities (that is, excluding charges for prescriptions, spectacles, etc.). This is consistent with the treatment of taxes and cash benefits, which are measured in terms of actual additions to, or deductions from, household income. It is the only practicable method. A more important limitation is the absence, at present, of detailed information about the extent to which each household makes use of the various national health services and of some forms of State education.

Allocation of the whole of government revenue and expenditure is not attempted. Payments by the personal

sector of taxes on income and expenditure and of national insurance, etc. contributions account for nearly three-quarters of all central and local government current receipts, and expenditure by public authorities on the social services and housing accounts for just over one-half of all government current expenditure. In this analysis the dividing line between those taxes and benefits which are taken into account and those which are not is to some extent arbitrary. Capital gains tax and corporation tax are not taken into account because the definition of household income, broadly following national accounting conventions, excludes capital gains and undistributed profits, and also, because in the case of corporation tax the extent to which it falls on dividends or is passed on in higher prices is not known.

Government expenditure which is not allocated falls into three broad categories. The first includes expenditure on defence, police, prisons and the unavoidable costs of administration, such as tax collection. There is good reason to exclude these items since they are not generally thought of as conferring benefits on individual households. The second category consists of expenditure on items such as roads, research and investment grants, which are part of regional or industrial development programmes and cannot be allocated because it is impossible to assess the extent to which households rather than other sectors benefit from such expenditure. Although some at least of the benefits to other sectors will eventually be passed on to households—through, for instance, improvements in the quality of goods and services provided, reductions in prices or increased employment—there is no way of assessing the benefit nor of allocating it between households. The third category includes expenditure on environmental services such as museums, libraries and parks which, although directly benefiting individuals and households, are not allocated because not enough is known about variations in the extent to which these amenities are accessible to, and used by, different households.

These estimates, derived by procedures kept as simple as possible, depict the flows of taxes and benefits actually observed in a single year; they show the average amounts which were paid in different forms of taxes and the values of the various benefits which were received in that year by different types of household. While their primary purpose is to describe the situation in recent past years, they can be used as a basis for assessing the immediate effects of a moderate change in the rate of a particular tax, or in the value of a particular benefit, on the amounts paid or received under that particular tax or benefit. In the case of social security benefits, the initial effect on the amount received will in general be proportional to the change in the rate of benefit. The effect of a tax change might, particularly in the case of an indirect tax, be influenced by people's reactions to the change; for instance, a reduction in purchase tax might, by reducing the price of a commodity, lead people to buy larger quantities of it. Since, in addition, changes in taxes and benefits often have interactions on one another, it is not in general possible from these estimates alone to assess the eventual effects of any given change on the total amounts of taxes paid and benefits received by each type of household; for instance, a reduction in income tax would lead to differential increases in disposable incomes and purchases of goods

which are subject to indirect tax might increase. There would be additional difficulties in estimating the eventual effects of a large change, or of abolishing altogether a particular form of tax, because of the wider repercussions which might in time have some effects on original incomes. Thus the estimates cannot and do not purport to show the full economic effects of each tax or benefit nor the full effects of any changes in taxes or benefits.

IV. Comments on the results

General

As the sources and methods used throughout the period since 1957 have been fundamentally the same, it is possible to make broad comparisons of the main results in successive years. The tables in this article correspond to those published in the most recent of the series (November 1973). The figures for 1973 are comparable with those for 1969, 1970, 1971 and 1972 but not wholly so with those for earlier years, mainly because of the change in the definition of original income (from 1969) which affects the income distribution of households. (See Appendix II.)

Tables A—G summarize the main results for non-retired households consisting of 1 adult and 2 adults with 0—4 children, and for retired(*) households consisting

(*) A retired household is one in which the combined income of members who are at least 60 and retired amounts to at least half the total income of the household. (See Appendix I.)

of 1 or 2 adults. Together these types of households account for over three-quarters of the total response. The figures for all households combined cover, in addition, miscellaneous types of household for which separate results are not shown.

Summary Tables A—G

The relative incidence of taxes and benefits as a whole on households of different types and at different income levels follows the general pattern shown in the earlier years; households with low incomes on average gain much more from benefits than they pay in taxes and households with high incomes pay more in taxes than they receive in benefits. Within a given income range the largest households, in general, gain most (or lose least) and the smallest gain least (or lose most) on balance from all taxes and benefits combined. These effects are shown in Table A, in absolute terms, and in Tables B and C which respectively give income after all taxes and benefits and income after direct taxes and benefits as percentages of original income. The percentages for non-retired households are in general lower than those for the corresponding retired households.

By convention, a tax is termed progressive if, in general, it absorbs a larger proportion of high than of low incomes, and regressive if it absorbs a smaller proportion of high than of low incomes. Similarly, a benefit is termed progressive if, in general, it forms a larger proportion of low than of high incomes (this is true of all benefits included in these estimates). All taxes and benefits combined are progressive in the sense just defined, and also in the sense of favouring large as against small households—see Tables B and C. (*Comment on the Summary Tables continues on page xxxvii.*)

Net total benefits received (+) less total taxes paid (—)

1973

TABLE A(i)

£ per year

	Range of original income: £ per year								Average over all income ranges
	Under 381	381-	557-	816-	1,194-	1,749-	2,561-	3,750 and above	
All households in the sample	+ 734	+ 605	+ 492	+ 246	— 10	— 249	— 570	— 1,360	— 231
Retired households									
1 adult	+ 548	+ 363	+ 275	+ 62	— 44	— 278			+ 455
2 adults	+ 829	+ 658	+ 582	+ 459	+ 258	— 69	— 656	— 1,683	+ 595
Non-retired households									
1 adult	+ 592	+ 301	+ 108	— 173	— 377	— 672	— 984	— 1,920	— 302
2 adults	+ 982	+ 744	+ 513	+ 232	— 150	— 503	— 914	— 1,780	— 610
2 adults, 1 child				+ 164	— 77	— 385	— 682	— 1,428	— 526
2 adults, 2 children				+ 112	— 11	— 220	— 491	— 1,163	— 396
2 adults, 3 children				+ 706	+ 304	+ 88	— 182	— 1,045	— 119
2 adults, 4 children					+ 604	+ 429	+ 130	— 671	+ 317

**Net direct benefits received (+) less direct taxes paid (—)
1973**

TABLE A(ii)

	Range of original income: £ per year								Average over all income ranges
	Under 381	381-	557-	816-	1,194-	1,749-	2,561-	3,750 and above	
All households in the sample ..	+ 786	+740	+675	+468	+270	+105	— 99	— 615	+134
Retired households									
1 adult	+ 563	+444	+403	+261	+156	— 16			+501
2 adults	+ 927	+848	+794	+700	+564	+252	— 11	—1,012	+770
Non-retired households									
1 adult	+ 643	+419	+251	— 24	—147	—362	—583	—1,390	— 81
2 adults	+1,115	+824	+690	+470	+126	—141	—455	—1,109	—213
2 adults, 1 child ..				+498	+226	— 30	—223	— 758	—109
2 adults, 2 children ..				+358	+277	+132	— 49	— 442	+ 29
2 adults, 3 children ..				+945	+611	+405	+256	— 335	+298
2 adults, 4 children ..					+1,109	+765	+566	— 47	+720

**Income after all taxes and benefits as a percentage of original income
1973**

TABLE B

	Range of original income: £ per year								Average over all income ranges
	Under 381	381-	557-	816-	1,194-	1,749-	2,561-	3,750 and above	
All households in the sample	790	230	172	124	99	88	81	74	90
Retired households									
1 adult	735	179	143	106	97	87			259
2 adults	757	241	186	146	118	97	78	70	194
Non-retired households									
1 adult	463	164	116	83	74	68	67	65	80
2 adults	650	260	174	123	90	77	71	68	77
2 adults, 1 child ..				116	95	82	77	73	80
2 adults, 2 children ..				110	99	90	84	77	86
2 adults, 3 children ..				166	120	104	94	81	96
2 adults, 4 children ..					141	120	104	87	112

**Income after direct taxes and benefits as a percentage of original income
1973**

TABLE C

	Range of original income: £ per year								Average over all income ranges
	Under 381	381-	557-	816-	1,194-	1,749-	2,561-	3,750 and above	
All households in the sample	839	259	199	146	118	105	96	89	106
Retired households									
1 adult	752	196	163	126	110	99			275
2 adults	834	282	218	171	139	112	100	82	222
Non-retired households									
1 adult	494	189	136	98	90	83	80	75	95
2 adults	725	277	200	146	108	93	85	80	92
2 adults, 1 child ..				148	115	99	93	86	96
2 adults, 2 children ..				133	118	106	98	91	101
2 adults, 3 children ..				188	140	118	109	94	110
2 adults, 4 children ..					175	136	118	99	127

**Total taxes as a percentage of original income *plus* cash benefits
1973**

TABLE D

Percentages

	Range of original income: £ per year								Average over all income ranges
	Under 381	381-	557-	816-	1,194-	1,749-	2,561-	3,750 and above	
All households in the sample	21	24	25	30	32	33	33	33	32
Retired households									
1 adult	19	23	23	31	28	29			23
2 adults	21	22	23	26	30	30	38	39	27
Non-retired households									
1 adult	23	29	29	34	35	37	37	36	35
2 adults	25	20	24	29	35	36	35	35	34
2 adults, 1 child ..				39	31	33	33	32	33
2 adults, 2 children ..				39	32	32	32	32	32
2 adults, 3 children ..				30	32	31	31	31	31
2 adults, 4 children ..					31	29	31	30	30

**Total benefits as a percentage of original income *plus* cash benefits
1973**

TABLE E

Percentages

	Range of original income: £ per year								Average over all income ranges
	Under 381	381-	557-	816-	1,194-	1,749-	2,561-	3,750 and above	
All households in the sample	126	84	66	48	32	22	15	9	23
Retired households									
1 adult	119	65	50	35	25	18			85
2 adults	117	80	66	54	42	28	19	11	71
Non-retired households									
1 adult	137	70	41	18	11	5	4	1	16
2 adults	146	90	64	46	26	14	6	3	12
2 adults, 1 child ..				51	26	16	11	5	14
2 adults, 2 children ..				48	32	22	16	9	18
2 adults, 3 children ..				82	49	35	25	12	27
2 adults, 4 children ..					62	47	35	18	41

**Indirect taxes as a percentage of income after direct taxes and benefits
1973**

TABLE F

Percentages

	Range of original income: £ per year								Average over all income ranges
	Under 381	381-	557-	816-	1,194-	1,749-	2,561-	3,750 and above	
All households in the sample	16	17	18	19	20	19	17	17	18
Retired households									
1 adult	16	16	15	17	12	12			16
2 adults	17	18	16	17	17	14	21	15	17
Non-retired households									
1 adult	15	19	20	21	21	20	18	13	19
2 adults	16	15	19	19	21	22	19	15	19
2 adults, 1 child ..				27	21	20	18	15	18
2 adults, 2 children ..				27	21	18	16	16	17
2 adults, 3 children ..				15	19	16	15	14	15
2 adults, 4 children ..					20	16	15	14	15

**Direct benefits and taxes as percentages of original income *plus* cash benefits
1973**

TABLE G

Percentages

	Range of original income: £ per year								Average over all income ranges
	Under 381	381-	557-	816-	1,194-	1,749-	2,561-	3,750 and above	
Cash benefits									
All households in the sample ..	85	53	44	25	13	6	3	1	10
Retired households									
1 adult	84	46	37	27	20	15			61
2 adults	85	60	50	40	30	21	14	8	52
Non-retired households									
1 adult	69	36	25	9	5	1	1	—	8
2 adults	78	57	45	25	11	5	1	1	5
2 adults, 1 child				19	6	3	1	—	3
2 adults, 2 children				15	7	4	2	1	3
2 adults, 3 children				21	12	5	4	2	5
2 adults, 4 children					23	10	5	3	10
Benefits in kind									
All households in the sample ..	29	24	18	18	15	13	10	6	11
Retired households									
1 adult	18	11	10	7	5	4			13
2 adults	22	16	14	11	11	7	5	3	14
Non-retired households									
1 adult	56	27	10	4	3	3	1	1	6
2 adults	58	22	12	17	10	5	3	2	5
2 adults, 1 child				26	16	10	8	4	9
2 adults, 2 children				22	19	16	13	8	13
2 adults, 3 children				56	32	25	20	10	20
2 adults, 4 children					39	32	27	13	27
Income tax and surtax									
All households in the sample ..	—	3	5	6	8	10	12	16	12
Retired households									
1 adult	—	6	8	15	17	19			7
2 adults	—	2	5	9	13	18	19	27	9
Non-retired households									
1 adult	—	4	6	11	14	16	19	24	15
2 adults	—	2	2	5	10	12	14	19	14
2 adults, 1 child				3	4	10	12	16	12
2 adults, 2 children				3	5	9	12	15	11
2 adults, 3 children				4	4	8	11	15	11
2 adults, 4 children					1	6	10	14	9
National insurance contributions									
All households in the sample ..	—	—	1	2	4	4	4	3	4
Retired households									
1 adult	—	—	—	—	—	—			—
2 adults	—	—	—	—	—	—	—	—	—
Non-retired households									
1 adult	—	2	3	4	4	4	4	2	4
2 adults	—	1	1	3	4	4	4	3	4
2 adults, 1 child				4	5	5	4	3	4
2 adults, 2 children				6	5	5	4	3	4
2 adults, 3 children				4	5	5	4	2	4
2 adults, 4 children					3	4	4	2	3

Table D shows direct and indirect taxes combined as a percentage of original income *plus* cash benefits (this denominator is chosen because some cash benefits are taxable). All taxes combined are seen to be only mildly progressive. Over a wide range of income covering the bulk of non-retired households the percentages are remarkably constant for the same type of household and do not show very wide variations even between different types of households. The explanation is that while income tax and surtax are certainly progressive (Table G) in 1973 national insurance contributions (particularly the flat rate contributions) were mildly regressive and indirect taxes as a whole (shown as percentages of income after direct taxes and benefits in Table F) are also if anything mildly regressive. The substantially smaller percentages shown in Table D for households in the lowest ranges of income may be partly explained by the fact that these households, even when not classified as retired, contain large numbers of retired persons who are not liable for national insurance contributions. It is worth mentioning that, while for the types of household for which estimates are shown in Table D total taxes as a proportion of income show comparatively small variations, the proportions of income paid in taxes by individual households in each of these groups often show wide variations. In particular, the proportion paid in indirect taxes is likely to vary according to how much the household spends on alcoholic drink, tobacco and petrol.

Social service benefits as a whole are very progressive and each of the benefits included in these estimates is progressive, favouring both households with low incomes much more than those with high incomes and larger households more than smaller households. It is mainly because flat rate benefits form a much larger proportion of low than of high incomes that benefits as a whole are much more progressive than taxes as a whole (Table E).

Benefits in cash, as a proportion of income, decline markedly as income rises and so are very progressive (see Table G). Cash benefits also form an increasing proportion of income as the number of children in the household increases and so are progressive in this sense as well. (It should be remembered that some of the households described as non-retired contain people in receipt of State pensions; see footnote⁽⁴⁾ on page xxxiii.) Benefits in kind, as a proportion of income, decline (though less markedly than cash benefits) with increasing income and are progressive both in this sense and (more so than cash benefits) in the sense of forming a higher proportion of the income of large than of small households. It must be remembered that a substantial proportion of benefits in kind (health services) can only be allocated on a rough basis without reference to income. (See Appendix I.)

Main Tables 1—8

Table 1 shows estimates of the average incomes, and the average amounts of benefits⁽⁵⁾ received and taxes paid, for all households combined and for each of 10 different types of household at different levels of income. The 10 types

of household—the 6 types shown in the summary tables *plus* 3 adults with 0—2 children and 4 adults—between them account for over 90 per cent of all the households in the survey. Households containing 3 or 4 adults are more heterogeneous than the others; for example, a household containing 3 adults may include a married couple with a son or daughter over 16 and possibly still at school, or a married couple and a single person, possibly an elderly dependant, or 3 single persons, any or all of whom may be working or retired. Results are shown for retired⁽⁶⁾ and non-retired households combined and, where numbers permit, for these two groups separately.

The separate figures shown for retired and non-retired households consisting of 1, 2 and 3 adults⁽⁷⁾ indicate the effects of retirement on the amounts of direct taxes paid and benefits received, and on the payments of indirect taxes resulting from their different expenditure patterns.

It must be remembered that results referring to a small number of households may not be very representative and even those referring to larger numbers may be considerably influenced by one or two, possibly untypical, households. For instance, one household containing a student with a large educational grant may considerably influence the average benefits received; another may have bought an expensive durable item in the survey period and the purchase tax or value added tax included in the price, when converted to an annual rate of payment, may be very large. It is always advisable, therefore, to look at the general run of figures for households in several adjacent income ranges.

Table 2 shows the estimated amounts paid under each main type of indirect tax expressed as percentages of income after direct taxes and benefits (broadly equivalent to disposable income *plus* benefits in kind). Indirect taxes as a whole were shown in Table F to be, if anything, mildly regressive but the effects of different groups of these taxes show some variation. Local rates and taxes on tobacco, for example, absorb a larger proportion of income at lower than at higher income levels and so are clearly regressive. Purchase tax/value added tax, on the other hand, appears to have been slightly progressive. Appendix I explains some of the difficulties involved following the abolition of purchase tax and selective employment tax, and the introduction of value added tax and car tax. Therefore the observation that the sum of intermediate taxes and purchase tax/value added tax in 1973 was broadly neutral (that is, neither progressive nor regressive), both across income ranges and with increasing household size, and that in 1972 the sum of the intermediate taxes and purchase tax was also neutral, does not necessarily justify the inference that value added tax and car tax were neutral in 1973. Within a given income range, local rates form a lower proportion of the income of larger than of smaller households. Except for local rates, which appear to bear more heavily on retired households, and tobacco and oil taxes which

⁽⁴⁾ Pensioner households (see Appendix I) are a sub-division of retired households, with very low original incomes. Except for some results given at the end of Table 5, they are included with the rest of the retired households in all the tables.

⁽⁷⁾ There were not enough 3 adult retired households to be shown separately.

⁽⁵⁾ The only indirect benefits taken into account are housing subsidies, which are small in comparison with most other benefits. These subsidies form a declining proportion of increasing income and are thus progressive.

appear to bear more heavily on non-retired households, there is little difference in the incidence of the various indirect taxes as between these two categories of household.

Table 3 shows the trends over the five latest years in the lowest and highest quintile and median incomes, before and after taxes and benefits. The lowest (highest) quintile is the income such that one-fifth of the households in question have lower (higher) incomes; the median is the income such that half of the households in question have lower (higher) incomes. The lowest and highest quintiles are in general much closer to the median incomes after allowing for all taxes and benefits; this is illustrated by the changes in the lowest and highest quintiles expressed as percentages of the medians. The narrowing of the gap between each quintile and the median illustrates the extent of redistribution at each stage of income (original income *plus* cash benefits; income after direct taxes and benefits; and income after all taxes and benefits). The table also shows the extent to which redistribution favours large compared to small families and retired compared to non-retired families. For example, the median income of non-retired households is generally reduced by all allocated taxes and benefits, but the reductions become progressively smaller as the number of children in the household increases; and for 2 adults with 4 children the median is increased; and, while the median income of all single adult households is substantially increased by taxes and benefits, for single adult non-retired households it is reduced.

Looking now at the changes in the five-year period 1969 to 1973, first in terms of original income for all households combined, the lowest quintile has fallen and the highest quintile has risen relative to the median. This result is not borne out for all non-retired households combined where the ratios of quintiles to median have remained stable. There is no consistent pattern of movement in the ratios for individual household types, but there appears to have been some tendency for the lowest quintile to rise and/or the highest quintile to fall relative to the median for two adult households with one or more children. Some of the apparent converse movement for households consisting of one or two adults only, and indeed for all households combined, may result from the increased proportion of retired households. Between 1969 and 1973 the proportion of retired households in the sample increased from 17 per cent to 20 per cent. Where State pensions are the major source of income original incomes will be very low and relatively static and a change in the proportions with such incomes will affect the quintiles and median. Looking next at income after all taxes and benefits the ratio of the quintiles to the median does not show a general trend either way. There may appear to be a tendency among all households combined for the increase in the inequality of original income to be largely offset, at least as measured by the ratio of the lowest quintile to the median, by an increase in the progressivity of taxes and benefits. However, this may result from the increased proportion of retired households in the sample and the effect this has on original incomes, benefits received, and taxes paid. There is also the more general point that these estimates (particularly for individual household types) are subject to year-to-year fluctuations partly attributable to sampling variation.

Table 4 (which is in five parts) shows, in percentage terms, some comparisons between the effects of taxes and benefits in the years 1970—1973 on the most numerous types of household (1 adult and 2 adults with 0—2 children) and on all households in the sample. For all households combined, the right-hand column of part (i) of Table 4 shows that the net effect of all taxes and benefits was to reduce the average income by 16 per cent in 1970, but by only 10 per cent in 1973. Parts (iii) and (iv), respectively, show that this resulted from the reduction in total taxes and partly from an increase in total benefits as proportions of income. The increase in average income as a result of *direct* taxes and benefits, shown in part (ii), varied little between 1970 and 1973 and part (v) confirms that the increase in income after all taxes and benefits as a proportion of original income was partly the result of a reduction in indirect taxes as a proportion of income.

The rising trend in the ratio of income after all taxes and benefits to original income was common to all household types shown. This movement was most marked for retired households, mainly because of increases in benefits as a proportion of income (part (iv)).

Those households which remained in the same original income range (for example, 'pensioner' households) in most cases gained more (or lost less) in each succeeding year as a result of taxes and benefits (parts (i) and (ii)). Households whose original incomes roughly kept pace with the rate of increase in average earnings would, by and large, be expected to have moved up two ranges between 1970 and 1973. Assuming that their experience is typical of the other households in the same range of income in 1973 and of the other households sharing the the income range two ranges lower in 1970, then, in most instances, such households gained more (or lost less) of their original income in 1973 than in 1970 as a result of taxes and benefits. This appears to be mainly the result of a reduction in indirect taxes as a proportion of income after direct taxes and benefits (part (v)), and an increase in total benefits as a proportion of income, although this was more apparent for the retired households than the non-retired households with children in part (iv).

Table 5 compares the changes which have occurred between 1961 and 1973 in the average incomes before and after taxes and benefits of all households of each of the 10 main types, and of all households combined. Additional figures are shown for non-pensioner households(*) consisting of 1 and 2 adults. (It is not possible to show figures for non-retired households alone over the whole period because the classification into retired/non-retired is not available for years before 1967.)

Direct benefits, particularly national insurance benefits, have increased substantially over this period; taxes, particularly national insurance contributions and various kinds of indirect taxes, have also increased but to a lesser extent, so that on balance the changes will have favoured households with relatively low compared with those with relatively high incomes.

(*) That is, retired and non-retired but excluding pensioner households. (See Appendix I.)

The averages for original income and income after all taxes and benefits have been shown under both old and new definitions. For the two earlier years (1961 and 1965) figures for income after all taxes and benefits under the new definition were estimated roughly and are shown in brackets. The difference between old and new figures for average original income represents the average amounts of employers' contributions to national insurance and national health services (previously treated as part of employees' income) for that type of household. The difference between old and new figures for income after all taxes and benefits represents the average amount of employers' contributions now included in the intermediate indirect taxes allocated to that type of household, together with the very small reduction in benefits (from 1969) now that education benefit is no longer attributed to children in private schools.

The percentages shown for the five years in columns 6—10 of Table 5 indicate that income after all taxes and benefits declined as a proportion of original income between 1961 and 1969 but increased for each household type between 1969 and 1973.

By combining the increases in original income over the whole period with the effects of all taxes and benefits on original income in 1973 (columns 10 and 14), it is possible to compare income after all taxes and benefits in 1973 with original income in 1961. Single adult households (retired and non-retired combined) and households with 3 or 4 children have in this sense fared substantially better than the other types of household over the twelve years.

Tables 6, 7 and 8 show the distribution of households co-operating in the Family Expenditure Survey in 1973

classified respectively by original income, income after direct taxes and benefits and income after all taxes and benefits. A comparison of the three tables shows the extent of the redistribution of income which takes place within each type of household as a result of direct taxes and benefits and of all taxes and benefits. (See Chart 2 below.)

The tables published in this article present a selection of the material which is analysed each year. Consideration will be given to requests for further analyses, subject to resources being available, and readers are invited to write to the Press and Information Service of the Central Statistical Office.

Charts 1 and 2

Chart 1 shows the broad effects on the main types of household of the main groups of taxes and benefits expressed as percentages of original income *plus* cash benefits. In part (i) the households (all non-retired) are arranged so as to highlight the effect of each additional child. In part (ii) results are shown for households without children so that comparisons can be made between non-retired households with 1, 2 or 3 adults and retired households consisting of 1 or 2 adults. The diagram for 2 adult non-retired households is shown for convenience in both parts of the chart.

Chart 2 shows the distributions of several types of household classified by original income alongside the corresponding distributions classified by (i) income after direct taxes and benefits and (ii) income after all taxes and benefits. The diagrams illustrate the extent to which taxes and benefits reduce the inequality in the distributions of original income.

Central Statistical Office

APPENDIX I

Definitions of households, incomes, taxes and benefits used in the estimates

HOUSEHOLDS: DEFINITION AND CLASSIFICATION

A household comprises persons who live at the same address and who share in the catering for at least one meal a day. It includes children at boarding school but not university students, etc. who are residing away from home at the time of the survey and who may be included as separate households. For comparability with earlier years young persons aged 16 and over are counted as adults even if they are still at school. This definition differs from that used in the *Family Expenditure Survey Report for 1973*, where adults are defined as unmarried persons 18 years and over, and all married persons regardless of age. For example, 36 out of 226 households comprising three adults and one child in these estimates are classified under other household types in the *Family Expenditure Survey Report*. The survey does not include residents in hotels, boarding houses and other institutions, or members of the armed forces and the merchant navy who are not living in private households.

The estimates shown in most of the tables represent averages for households grouped by ranges of original income (see below). The income ranges are marked off by equal intervals on a logarithmic scale, thus providing wider intervals for the higher incomes where the households are fewer and their incomes more widely dispersed. The use of a logarithmic scale also facilitates comparisons over time when incomes are rising.

Retired and non-retired households of various sizes and types have been classified separately. A retired household is defined as one in which the combined income of members who are at least 60 and describe themselves as retired or unoccupied amounts to at least half the total gross income of the household. For some purposes retired households are further classified into pensioner households (so defined if at least three-quarters of their income is derived from national insurance retirement and similar pensions and/or benefits paid in supplementation) and other retired households but there is very little difference between these groups at the lowest levels of original income where the pensioner households occur. Except for the two cases given at the end of Table 5, pensioner households are included with the other retired households in the results shown throughout this article.

INCOME

The original income of a household is defined as the sum of the incomes in cash and kind (as measured in the survey) of all members of the household before the deduction of taxes and before the addition of the State benefits included in this analysis. Original income differs from the term *gross income* as used by the Department of Employment in the published reports of the Family Expenditure Surveys, since the latter includes national insurance and other cash benefits and excludes most forms of income in kind.

The figures of income are the estimated normal annual income at the rate current at the time the household is interviewed. For wage and salary earners the normal current rate of annual earnings is estimated by taking into account all the information given about (i) the wage or salary received in the previous week (those paid weekly) or in the previous month (those paid monthly), (ii) the wage or salary usually received in the recent past (if the last payment is stated to be abnormal), (iii) occasional bonus payments and (iv) periods of absence from work through illness or unemployment during the previous twelve months. In the case of investment income and the income of self-employed persons, the income is taken to be the amount received in the latest twelve-month period for which the information is available. Households living in owner-occupied or rent-free dwellings are assigned an imputed income based on the rateable value of the dwelling. From the second quarter of 1973, for addresses in England and Wales, the 1973 assessments of the rateable value of dwellings were used. The higher levels of the re-assessed rateable values caused a somewhat larger increase than would otherwise have occurred in the adjusted rateable value used to impute such income between assessment dates.

In the years up to and including 1968 original income was defined to include employers' contributions to national insurance and national health services, following conventions used in the national accounts, even though households do not generally regard such contributions as part of their incomes. As from 1969, it was decided to exclude these contributions from original income, on the grounds that, for the purpose of this analysis, employers' contributions are more appropriately regarded as a form of indirect tax on intermediate goods and services. Thus it is no longer possible to make full comparisons between the results for 1973 and those for years earlier than 1969. For households which include no employees, original income is unaffected by the change in definition. For other households, original income on the new definition is lower than on the old definition. The difference on average over all households combined is about £87 for 1973 (see Table 5). The effect on income after all taxes and benefits is smaller (£40 for all households combined in 1973) because only part of the employers' contribution is included in indirect taxes on consumers' expenditure, the rest falling on government expenditure, investment and exports. Income after direct taxes and benefits is unaffected.

DIRECT TAXES

Income tax
Surtax
Employees' contributions to national insurance and national health services

The estimates of income tax are based mainly on the amounts stated to have been deducted from the most recent payments of wages and salaries, and the recorded tax payments in the previous twelve months in respect of

surtax, or, in the case of investment income and income from self-employment, the latest twelve-month period for which the information is available. Where refunds exceed deductions amounts will, of course, be negative. Death duties, being taxes on capital rather than income, are not included. Nor are taxes on undistributed profits; although undistributed profits belong in a sense to shareholders, they are not treated as part of personal income for purposes of income tax and they are not part of a household's disposable income. Capital gains, in accordance with national income conventions, are also excluded from income, and so taxes on capital gains are likewise omitted.

DIRECT BENEFITS IN CASH

Family allowances

Family income supplement

National insurance benefits (pensions, special lump sum payment to pensioners, sickness, unemployment, redundancy, industrial injury, invalidity pensions and allowances, maternity benefits, etc., death grants)

Non-contributory old age pensions

Supplementary pensions and allowances

War pensions, service grants and allowances

Except for redundancy benefit the value of each form of cash benefit (and of scholarships and education grants from public funds, which are treated as benefits in kind) is the amount stated to have been received by the household during the twelve months prior to the interview.

Redundancy benefit. Although redundancy benefits take the form of a single lump sum payment they are in general intended to provide long-term benefit. In these estimates, therefore, only part of the recorded receipts is taken to relate to the current year: if the period covered by the redundancy payment is n years, then the current benefit is taken to be $\frac{1}{n}$ th of the amount received.

DIRECT BENEFITS IN KIND

National health services

State education

School health services

Scholarships and education grants from public funds

School meals, milk and other welfare foods

National health services. Households are not asked about the extent to which they use the various national health services. The values of the benefits assumed to be received are therefore estimated as follows. The current cost of maternity services is estimated separately and the average cost per birth is allocated to each household reporting the receipt of national insurance maternity benefit. The values of the benefits from all other national health services combined are based on rough estimates of the differences in the extent to which these services are used by people in eight different age-groups ranging from children under 2 to persons 70 and over. In each case separate estimates are available for males and females. The value of the benefit assigned to each household is the average net cost to the State of providing each service, that is, after allowing for prescription charges and payments made for dental, ophthalmic and other services. It is not possible to distinguish cases where, because of special circumstances, patients receive drugs and other goods and services free of charge.

Education. Information is provided in the schedules about the type of full-time education being received by each member of the household. The benefit of State education is taken to be the estimated average net cost per child to public authorities of providing tuition (and in the case of schools, school health services) under each of the following headings: special schools, primary, secondary and direct grant schools, universities and teachers' training colleges. The value of the benefit is taken to be the same for all children attending any one of these types of educational establishment (except that for children at secondary or direct grant schools larger benefits are assigned to children over 16 than to children under 16). In the case of fee-paying students at universities the gross maintenance grants received are abated by the fees and contributions paid by parents.

School meals, milk and welfare foods. The value of each of these benefits is taken to be the net cost to public authorities, after allowing for the contributions from households themselves.

INDIRECT BENEFITS

Housing subsidies

Housing subsidies are defined as the difference between current account expenditure by public authorities on housing and the rents paid by tenants of local authority dwellings. The subsidy is estimated separately for each local authority dwelling in the sample and is taken to be the excess of the estimated economic rent over the actual rent paid by the tenant. The subsidy therefore includes any *rent rebates* which the tenant may be allowed. The economic rent is calculated by marking up the rateable value of the dwelling in the ratio of the total current account expenditure on all dwellings owned by the local authority to the total rateable value of these dwellings. The housing subsidy estimated for a particular household can (exceptionally) be negative.

Agricultural subsidies are not treated as benefits to consumers. Such subsidies are included in the original income of farmers since they form part of the earnings of farmers who could otherwise earn comparable incomes in other employment. General agricultural subsidies will continue to be regarded in this way, but it is hoped that, for 1974 on, the change in emphasis in subsidies on specific commodities, from agricultural/producer to consumer, which began in 1973 for milk and butter, will be reflected in the analysis, and the incidence of such subsidies will be included as an indirect benefit.

INDIRECT TAXES

(i) *On final consumer goods and services*

Local rates on dwellings (after deduction of rebates)

Customs and Excise duties on beer, wines, spirits, tobacco, hydrocarbon oils, betting, etc.

Purchase tax

Value added tax

Car tax

Motor vehicle duties

Driving licences

Television licences

Stamp duties

Indirect taxes, or taxes on expenditure, are either paid separately by consumers, for example, local rates, motor

vehicle duties, or are assumed to be fully reflected in the prices paid by consumers when buying commodities which are subject to tax, for example, value added tax. Payments of indirect taxes which are levied directly on consumer goods are estimated from the details of expenditure given by households co-operating in the survey, the proportion which the tax bears to the retail price being estimated from the known rates of tax and from information obtained from various sources about retailers' margins. Since the value added tax and car tax on motor vehicles affects the price of second-hand vehicles they are assumed to form part of expenditure on second-hand cars and receipts from sales of second-hand cars, as well as being included in the price of new cars.

Purchase tax was abolished and value added tax and car tax introduced on 1 April 1973. The incidence estimates assume that purchase tax applied to expenditure in the first quarter and value added tax and car tax for the remaining quarters of 1973. To ensure comparability with previous years indirect taxes on drink, tobacco, and hydrocarbon oils include the value added tax element in addition to the excise duty which was reduced to compensate for the introduction of value added tax on these items. Thus in a full year the coverage of the value added tax in this analysis will be restricted compared with the coverage in the national accounts where all value added tax is shown as a separate item. No attempt has been made here to separate the three taxes for 1973, because no satisfactory method has been found for dealing with the transition period when a rebate in terms of reduced value added tax payments was allowed to traders in respect of purchase tax and excise duties already paid on stocks of finished goods held for sale at 1 April 1973. Additionally, seasonal factors and the distorted pattern of purchases immediately before and after 1 April make any attempt to separate the incidence by quarter untypical and therefore misleading if converted

to annual amounts. One further effect is that, ignoring differences between the yields of taxes introduced compared with those abolished, there is a change in emphasis from indirect taxation on intermediate goods and services to taxation on final consumer goods and services. This results from the abolition of selective employment tax and because value added tax is assumed wholly incident on final consumer goods and services, whereas purchase tax was assumed to be partly incident on intermediate goods and services.

(ii) *On intermediate goods and services*

Local rates on commercial and industrial property
Vehicle licences
Customs and Excise duties on hydrocarbon oils
Purchase tax and other revenue duties
Import duties on raw materials and on other goods and services used by industry
Stamp duties
Selective employment tax (after deduction of refunds)
Employers' contributions to national insurance and national health services and to the redundancy fund

Indirect taxes on intermediate products are defined as taxes falling on goods and services purchased by industry and used in the production of goods and services bought by consumers. It is assumed that these indirect taxes are fully reflected in the prices of goods and services produced and therefore passed on at each stage of production. Their allocation between different headings of consumers' expenditure is based on input-output tables and, apart from the treatment of employers' contributions to national insurance, etc., is consistent with estimates included in the National Income Blue Book.

The abolition of purchase tax and selective employment tax at the end of March 1973 means that these taxes apply for the first quarter only.

APPENDIX II

Changes in definition and treatment of items

The main changes in the definition and treatment of items, introduced from time to time during the period covered by the series of articles (1957-1973), are listed below:

Item	Change	Survey year when change took effect	Item	Change	Survey year when change took effect
<i>Original income</i>	Redefined to exclude employers' contributions to national insurance, etc.	1969	<i>Indirect taxes on intermediate goods and services</i>	(i) Introduced with coverage: rates, motor vehicle duties, oil and stamp duties	1961
<i>Education benefit</i>	(i) Benefit assigned according to type of school attended	1959	<i>Indirect taxes on intermediate goods and services</i>	(ii) Extended to include import duties	1963
	(ii) Coverage extended to include Colleges of Advanced Technology and Teachers' Training Colleges	1963		(iii) Extended to include SET	1966
	(iii) Benefit to children at secondary schools assigned according to age instead of by type of school	1966		(iv) Extended to include purchase tax and other revenue duties	1967
	(iv) Benefit no longer assigned to children at private schools	1969		(v) Extended to include employers' national insurance, etc. contributions, when original income was redefined	1969
<i>National health service benefit</i>	Maternity benefit allocated only to households reporting the receipt of national insurance maternity benefit	1963		<i>Size of sample</i>	Approximately doubled	1967
<i>Indirect benefits</i>	(i) Allocation of benefit from <i>food subsidies</i> discontinued	1959	<i>Classification of households</i>	(i) Households divided into retired/non-retired categories	1967
	(ii) <i>Housing subsidies</i> estimated separately for each local authority dwelling	1964		(ii) Results for <i>pensioner</i> households combined with results for retired <i>non-pensioner</i> households in the same income ranges, except where specifically stated	1969
	(iii) Rent rebates introduced	1969		<i>Logarithmic scale used for income ranges</i>	(i) Basic scale: income at upper limit of each range equal to 4/3 income at lower limit. For incomes between £616 and £1,464 per year each range split into two parts (scale factors (4/3) ⁴)	1957
<i>Indirect taxes on final consumer goods and services</i>	(i) Purchase tax on cars bought outright spread in order to smooth the incidence of the tax	1961		(ii) Income at upper limit of each range equal to (11/10) ² income at lower limit at all levels of income	1961
	(ii) Purchase tax on cars bought outright based on purchases over twelve months: spreading discontinued	1968		<i>Adjustments for non-response</i>	Discontinued	1963
	(iii) Rate rebates introduced	1967			

APPENDIX III

Accuracy of the data

(i) *The size of the sample*

The sample is carefully designed to be as representative as possible of all private households in the United Kingdom but the results are, of course, subject to sampling errors. The effective sample represents about 1 in every 1,800 households, and the co-operating households slightly over 1 in every 2,700 households in the UK. There are many cases where the number of households of a given type in a given income range is small and the averages may therefore be unreliable. For this reason, except in Tables 6—8 where the full household distributions are shown, results are not given where there are fewer than 10 households in any range of income.

(ii) *Differential response*

The Family Expenditure Survey is conducted on a voluntary basis and in recent years about 70 per cent of the households approached have co-operated fully by providing all the information requested. Households which do not co-operate may differ in important respects from those which do. It is known that there are regional variations in response levels; there is also some evidence for believing that the response rate is below the average for households in the higher ranges of income and for households without children. Even among households of a given type in a given income range, co-operating and non co-operating households may differ in the amounts they pay in direct taxes, in the benefits they receive in cash and kind, and in their purchases of tax-bearing items. It has not so far been possible to develop a satisfactory basis for re-weighting the sample to allow for differences between co-operating and non co-operating households and the tables which follow show the averages for households co-operating in the survey.

(iii) *Estimates of income*

A comparison of grossed-up Family Expenditure Survey results with the corresponding figures in the national accounts suggests under-estimation of income from investment and self-employment. As it is not known to what extent this is attributable to understatement by respondents or to the differential response mentioned in the preceding paragraph there is no basis for making adjustments to the recorded figures.

(iv) *Estimates of expenditure*

The average expenditure on both alcoholic drink and tobacco recorded by households in the sample is well below the level which would be expected from the known total yields of duties on these items. Even after allowing for expenditure by residents in hotels, boarding houses, hospitals and other institutions not covered by the survey, and also for business expenditure, roughly half the taxes on drink and a quarter of the taxes on tobacco remain unaccounted for. This is a common feature of expenditure surveys both in the United Kingdom and elsewhere. To compensate for the deficiencies in taxes on drink and tobacco uniform proportional adjustments have been made to all the recorded figures of expenditure by each group of households on all forms of drink and on all forms of tobacco, to bring average expenditure into line with the known yields of the duties. This procedure may well introduce some bias into the results because the amount of under-reporting of such expenditure may not be proportional to the expenditure actually reported. But at present it is only practicable to make these simple *pro rata* adjustments. Similar but smaller adjustments have been made to the recorded figures of expenditure on confectionery, ice cream and soft drinks to make the average expenditure consistent with the yields of purchase tax while still applicable to these items.

APPENDIX IV

Average incomes before and after taxes and benefits
1973

TABLE 1

	Range of original income: £ per year											£ per year		
												Average		
	Under 381	381- 461-	461- 557-	557- 674-	674- 816-	816- 987-	987- 1,194-	1,194- 1,446-	1,446- 1,749-	1,749- 2,116-	2,116- 2,561-	2,561- 3,099-	3,099- 3,750 and above	over all income ranges
(i) Retired and non-retired households														
1 adult														
Number of households	707	40	52	52	33	38	62	77	93	69	29	15	23	1,350
Original income	94	416	504	614	754	902	1,096	1,323	1,611	1,924	2,765	3,369	5,575	779
Direct benefits in cash:														
family allowances	358	319	328	333	247	205	107	110	95	31	62	105	74	261
pensions(1)	98	19	15	12	10	8	26	7	21	1	3	—	2	57
other cash benefits(2)	22	133	—	30	—	—	—	15	—	—	26	1	—	19
Direct benefits in kind:														
education	95	87	78	86	70	65	56	52	54	44	51	56	54	79
national health service	—	—	—	—	—	—	—	—	—	—	—	—	—	—
welfare foods	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Direct taxes:														
national insurance, employees' contributions	—	3	7	6	20	23	44	46	61	85	96	89	93	23
income tax and surtax	2	24	55	64	81	142	146	180	266	284	518	747	1,499	127
Income after direct taxes and benefits	664	946	862	1,006	979	1,015	1,095	1,282	1,455	1,631	1,963	2,295	4,114	1,044
Indirect benefits	88	66	57	35	36	29	61	49	31	52	7	—	—	65
Indirect taxes:														
on final goods and services	79	119	113	117	147	158	163	205	208	269	267	312	480	139
on intermediate products	27	46	39	41	44	52	46	58	58	67	73	120	136	43
Income after all taxes and benefits	646	847	767	884	824	834	947	1,067	1,219	1,347	1,630	2,262	3,498	927
2 adults														
Number of households	416	45	50	52	59	63	77	103	175	210	228	238	277	2,252
Original income	134	420	505	612	744	908	1,095	1,326	1,595	1,933	2,343	3,392	5,536	2,108
Direct benefits in cash:														
family allowances	625	668	599	636	520	429	358	186	165	142	89	56	39	255
pensions(1)	98	17	34	26	68	47	35	59	39	28	30	12	11	40
other cash benefits(2)	53	—	50	—	—	49	90	65	54	21	8	—	—	27
Direct benefits in kind:														
education	180	186	177	180	165	157	138	116	126	112	104	92	85	125
national health service	—	—	—	—	—	—	—	—	—	—	—	—	—	—
welfare foods	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Direct taxes:														
national insurance, employees' contributions	—	—	5	4	7	19	34	56	74	88	103	141	157	78
income tax and surtax	2	17	31	45	50	74	95	144	190	239	334	506	1,109	324
Income after direct taxes and benefits	1,088	1,275	1,330	1,406	1,440	1,496	1,587	1,552	1,716	1,909	2,137	2,455	4,433	2,153
Indirect benefits	82	66	68	52	60	53	45	68	64	69	64	50	28	55
Indirect taxes:														
on final goods and services	138	172	155	163	211	218	217	263	267	314	342	378	407	302
on intermediate products	47	53	54	59	66	71	69	73	82	94	102	111	116	92
Income after all taxes and benefits	985	1,115	1,189	1,237	1,223	1,261	1,346	1,284	1,431	1,570	1,757	2,016	2,387	1,814

See footnotes on page 11v.

Average incomes before and after taxes and benefits
1973

TABLE 1 (continued)

	Range of original income: £ per year										Average overall income and ranges			
	Under 381	381-	461-	557-	674-	816-	987-	1,194-	1,446-	1,749-		2,116-	2,561-	3,099-	3,750 and above
(i) Retired and non-retired households (continued)														
2 adults, 1 child														
Number of households							17	26	58	103	154	133	81	88
Original income							1,096	1,319	1,611	1,928	2,351	2,809	3,396	5,267
Direct benefits in cash:							3	—	—	—	—	—	—	1
family allowances							89	31	11	17	17	23	4	—
pensions ⁽¹⁾							137	109	74	33	44	28	24	9
other cash benefits ⁽²⁾														
Direct benefits in kind:							171	91	89	84	90	91	127	101
education							128	212	152	141	144	146	123	111
national health service							6	7	3	3	5	5	8	6
welfare foods														5
Direct taxes:							47	65	77	94	107	125	139	149
national insurance, employees' contributions							49	13	91	172	251	331	468	837
income tax and surtax														319
Income after direct taxes and benefits							1,534	1,692	1,772	1,938	2,294	2,645	3,077	4,509
Indirect taxes:							85	87	46	60	70	51	40	12
on final goods and services							238	297	271	315	329	377	415	503
on intermediate products							79	86	83	90	103	108	126	179
Income after all taxes and benefits							1,301	1,396	1,465	1,593	1,933	2,210	2,576	3,839
2 adults, 2 children														
Number of households							11	23	65	136	147	161	107	117
Original income							1,108	1,322	1,619	1,960	2,351	2,804	3,377	5,014
Direct benefits in cash:							47	45	45	44	44	46	47	44
family allowances							18	—	14	1	7	3	—	1
pensions ⁽¹⁾							68	48	67	38	27	11	6	9
other cash benefits ⁽²⁾														
Direct benefits in kind:							136	125	164	194	216	228	269	282
education							152	151	149	139	138	127	121	122
national health service							3	10	19	11	15	18	17	19
welfare foods														16
Direct taxes:							75	84	84	97	110	125	136	138
national insurance, employees' contributions							38	66	78	163	239	324	423	779
income tax and surtax							1,419	1,552	1,913	2,128	2,450	2,788	3,277	4,572
Income after direct taxes and benefits							152	112	77	58	67	49	49	5
Indirect taxes:							297	289	276	281	341	353	392	556
on final goods and services							82	100	93	91	113	118	128	170
on intermediate products							1,192	1,275	1,621	1,814	2,064	2,366	2,806	3,851
Income after all taxes and benefits														2,359

See footnotes on page liv.

Average incomes before and after taxes and benefits
1973

TABLE 1 (continued)

	Range of original income: £ per year										Average age over all income ranges			
	Under 381	381-	461-	557-	674-	816-	987-	1,194-	1,446-	1,749-		2,116-	2,561-	3,099-	3,750 and above
(i) Retired and non-retired households (continued)														
2 adults, 3 children														
Number of households														
Original income														
Direct benefits in cash:														
family allowances														
pensions ⁽¹⁾														
other cash benefits ⁽²⁾														
Direct benefits in kind:														
education														
national health service														
welfare foods														
Direct taxes:														
national insurance, employees' contributions														
income tax and surtax														
Income after direct taxes and benefits														
Indirect taxes:														
on final goods and services														
on intermediate products														
Income after all taxes and benefits														
2 adults, 4 children														
Number of households														
Original income														
Direct benefits in cash:														
family allowances														
pensions ⁽¹⁾														
other cash benefits ⁽²⁾														
Direct benefits in kind:														
education														
national health service														
welfare foods														
Direct taxes:														
national insurance, employees' contributions														
income tax and surtax														
Income after direct taxes and benefits														
Indirect taxes:														
on final goods and services														
on intermediate products														
Income after all taxes and benefits														

See footnotes on page liv.

Average incomes before and after taxes and benefits
1973

TABLE 1 (continued)

	Range of original income: £ per year										Average overall income ranges				
	Under 381	381-	461-	557-	674-	816-	987-	1,194-	1,446-	1,749-		2,116-	2,561-	3,099-	3,750 and above
(l) Retired and non-retired households (continued)															
3 adults															
Number of households	17				10	10		14	27	45	61	87	85	204	580
Original income	140				758	896		1,342	1,602	1,925	2,324	2,866	3,406	5,336	3,366
Direct benefits in cash:															
family allowances															
pensions ⁽¹⁾	759				632	537		430	478	338	246	191	76	55	209
other cash benefits ⁽²⁾	323				241	102		180	86	93	96	64	33	14	66
Direct benefits in kind:															
education	63							377	171	118	89	91	108	110	111
national health service	227				198	205		193	178	172	158	156	134	129	152
welfare foods						2						1	1		1
Direct taxes:															
national insurance, employees' contributions	3				32	38		69	81	82	105	135	155	196	137
income tax and surtax	—15				36	1		131	160	189	253	362	440	904	493
Income after direct taxes and benefits	1,525				1,761	1,702		2,320	2,273	2,374	2,556	2,873	3,163	4,545	3,274
Indirect taxes:															
on final goods and services	161				81	28		44	74	62	68	96	57	46	66
on intermediate products	191				280	234		352	281	347	361	403	459	618	455
Income after all taxes and benefits	63				80	72		101	96	111	114	124	146	185	140
	1,432				1,482	1,425		1,911	1,970	1,978	2,149	2,442	2,615	3,788	2,745
3 adults, 1 child															
Number of households										12	25	40	45	84	226
Original income										1,936	2,392	2,832	3,447	4,976	3,506
Direct benefits in cash:															
family allowances															
pensions ⁽¹⁾										23	11	6	8	13	10
other cash benefits ⁽²⁾										124	92	93	23	44	82
Direct benefits in kind:										82	75	49	31	19	69
education										388	390	307	372	381	363
national health service										138	153	142	137	141	146
welfare foods										16	9	9	7	11	10
Direct taxes:															
national insurance, employees' contributions										105	107	129	161	177	143
income tax and surtax										166	170	261	380	661	402
Income after direct taxes and benefits										2,436	2,845	3,047	3,484	4,746	3,641
Indirect taxes:															
on final goods and services										61	84	119	58	39	68
on intermediate products										353	397	422	412	575	462
Income after all taxes and benefits										2,028	2,397	2,602	2,983	4,017	3,090

See footnotes on page liv.

Average incomes before and after taxes and benefits
1973

TABLE 1 (continued)

	Range of original income: £ per year										Average age over all income ranges			
	Under 381	381-	461-	557-	674-	816-	967-	1,194-	1,446-	1,749-		2,116-	2,561-	3,099-	3,750 and above
(1) Retired and non-retired households (continued)														
3 adults, 2 children														
Number of households										11	12	24	22	38
Original income										1,931	2,388	2,823	3,406	5,303
Direct benefits in cash:														
family allowances										52	64	53	63	61
pensions ⁽¹⁾										122	243	15	63	60
other cash benefits ⁽²⁾										65	30	39	44	22
Direct benefits in kind:														
education										480	605	558	619	491
national health service										185	179	152	156	164
welfare foods										14	32	15	26	18
Direct taxes:														
national insurance, employees' contributions										90	96	123	147	164
income tax and surtax										105	189	190	370	682
Income after direct taxes and benefits										2,654	3,256	3,342	3,859	5,274
Indirect benefits										61	124	117	130	49
Indirect taxes:														
on final goods and services										279	406	462	431	691
on intermediate products										119	133	136	146	223
Income after all taxes and benefits										2,317	2,840	2,861	3,412	4,410
4 adults														
Number of households												13	22	87
Original income												2,841	3,451	5,748
Direct benefits in cash:														
family allowances												4	—	1
pensions ⁽¹⁾												189	156	70
other cash benefits ⁽²⁾												154	78	34
Direct benefits in kind:														
education												210	110	329
national health service												191	181	159
welfare foods												4	2	—
Direct taxes:														
national insurance, employees' contributions												138	169	235
income tax and surtax												283	397	946
Income after direct taxes and benefits												3,171	3,411	5,160
Indirect benefits												10	119	112
Indirect taxes:														
on final goods and services												401	605	721
on intermediate products												137	189	224
Income after all taxes and benefits												2,643	2,737	4,327

See footnotes on page liv.

**Average incomes before and after taxes and benefits
1973**

TABLE 1 (continued)

	Range of original income: £ per year											Average overall income ranges		
	Under 381	381-	461-	557-	674-	816-	987-	1,194-	1,446-	1,749-	2,116-		2,561-	3,099-	3,750 and above
(i) Retired and non-retired households (continued)														
All households in the sample														
Number of households	1,242	94	118	125	124	140	213	286	494	684	818	889	728	1,171
Original income	106	417	505	613	746	910	1,094	1,327	1,605	1,936	2,349	2,820	3,395	5,380
Direct benefits in cash:														
family allowances	5	3	6	5	13	8	18	15	21	26	26	28	25	22
pensions ⁽¹⁾	443	505	434	460	417	310	213	148	123	87	66	58	39	44
other cash benefits ⁽²⁾	141	39	82	61	92	61	90	75	64	39	47	27	22	21
Direct benefits in kind:														
education	65	69	122	69	76	90	134	123	132	148	165	188	195	222
national health service	127	143	130	138	138	127	120	120	129	129	131	130	122	134
welfare foods	6	3	7	6	9	6	11	6	10	9	11	10	10	9
Direct taxes:														
national insurance, employees' contributions	—	1	6	5	16	26	42	57	74	91	105	126	143	176
income tax and surtax	1	17	39	60	53	76	94	120	159	195	274	345	455	890
Income after direct taxes and benefits	892	1,162	1,242	1,286	1,423	1,409	1,543	1,636	1,853	2,087	2,416	2,791	3,211	4,765
Indirect benefits	91	71	66	48	59	58	64	68	64	70	72	65	50	43
Indirect taxes:														
on final goods and services	107	156	146	153	203	212	214	263	265	305	340	386	424	600
on intermediate products	37	53	52	54	65	73	69	78	84	94	107	120	134	189
Income after all taxes and benefits	840	1,024	1,110	1,127	1,215	1,182	1,322	1,363	1,568	1,757	2,041	2,350	2,702	4,020

See footnotes on page liv.

Average incomes before and after taxes and benefits
1973

	Range of original income: £ per year										£ per year			
	Under 381	381-461	461-557	557-674	674-816	816-987	987-1,194	1,194-1,446	1,446-1,749	1,749-2,116	2,116-2,561	2,561-3,099	3,750 and above	Average over all income ranges
(ii) Retired households														
1 adult														
Number of households	639	26	33	10	12	11	15						802	
Original income	86	421	613	742	907	1,085	1,613						286	
Direct benefits in cash:														
family allowances	369	391	379	378	350	379	382						371	
pensions ⁽¹⁾	97	7	6	—	4	—	6						79	
other cash benefits ⁽²⁾	—	—	—	—	—	—	—						—	
Direct benefits in kind:														
education	99	102	100	101	99	102	102						99	
national health service	—	—	—	—	—	—	—						—	
welfare foods	—	—	—	—	—	—	—						—	
Direct taxes:														
national insurance, employees' contributions	—	—	—	—	—	—	—						—	
income tax and surtax	3	36	76	96	189	223	382						48	
Income after direct taxes and benefits	649	884	1,021	1,124	1,170	1,344	1,721						787	
Indirect benefits	90	72	29	23	28	—	—						78	
Indirect taxes:														
on final goods and services	78	106	115	125	157	172	159						93	
on intermediate products	27	33	39	33	56	41	46						31	
Income after all taxes and benefits	635	816	897	989	986	1,130	1,516						741	
2 adults														
Number of households	357	30	28	27	23	17	12						591	
Original income	126	420	613	740	907	1,105	1,555						631	
Direct benefits in cash:														
family allowances	660	707	675	623	602	683	588						642	
pensions ⁽¹⁾	77	5	10	39	16	21	17						52	
other cash benefits ⁽²⁾	—	—	—	—	—	—	—						—	
Direct benefits in kind:														
education	3	—	—	—	—	—	95						4	
national health service	189	190	193	186	190	183	174						188	
welfare foods	—	—	—	—	—	—	—						—	
Direct taxes:														
national insurance, employees' contributions	—	—	—	—	—	—	—						—	
income tax and surtax	2	19	53	83	121	171	275						2	
Income after direct taxes and benefits	1,054	1,303	1,437	1,502	1,594	1,823	2,146						1,401	
Indirect benefits	83	56	9	46	60	29	22						61	
Indirect taxes:														
on final goods and services	135	188	167	195	220	224	241						179	
on intermediate products	46	57	58	58	69	64	76						58	
Income after all taxes and benefits	956	1,114	1,222	1,294	1,366	1,564	1,851						1,226	

See footnotes on page liv.

Average incomes before and after taxes and benefits
1973

TABLE 1 (continued)

	Range of original income: £ per year											£ per year		
	Under 381	381-461	461-557	557-674	674-816	816-987	987-1,194	1,194-1,446	1,446-1,749	1,749-2,116	2,116-2,561	2,561-3,059	3,059-3,750	Average over all income ranges
(ii) Non-retired households														
1 adult														
Number of households	68	14	26	19	23	26	51	68	78	66	52	25	12	20
Original income	163	406	504	616	759	900	1,099	1,323	1,611	1,924	2,352	2,764	3,340	5,493
Direct benefits in cash:														
family allowances	—	—	—	—	—	—	—	1	—	—	—	—	—	—
pensions ⁽¹⁾	248	184	265	255	190	138	48	77	40	15	23	43	35	18
other cash benefits ⁽²⁾	108	41	21	22	14	10	32	8	24	1	2	3	—	1
Direct benefits in kind:														
education	232	380	—	83	—	—	—	17	—	—	30	1	—	—
national health service	57	61	63	63	57	50	46	46	45	41	44	43	43	48
welfare foods	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Direct taxes:														
national insurance, employees' contributions	1	9	14	17	29	34	54	52	72	89	97	111	111	106
income tax and surtax	1	2	44	43	75	120	130	174	243	282	425	477	728	1,350
Income after direct taxes and benefits	806	1,061	796	980	916	944	1,041	1,246	1,404	1,610	1,930	2,267	2,578	4,103
Indirect benefits	68	54	51	46	42	29	75	55	37	54	8	38	—	—
Indirect taxes:														
on final goods and services	88	143	109	121	157	158	161	213	218	273	274	311	350	417
on intermediate products	31	70	38	44	48	51	47	60	61	67	75	88	135	114
Income after all taxes and benefits	755	903	699	861	753	764	907	1,028	1,162	1,324	1,588	1,906	2,093	3,573
2 adults														
Number of households	59	15	20	24	32	40	60	94	163	195	218	249	231	261
Original income	179	419	499	612	748	909	1,092	1,329	1,598	1,934	2,343	2,831	3,392	5,535
Direct benefits in cash:														
family allowances	—	—	—	—	—	—	—	—	—	—	—	—	—	—
pensions ⁽¹⁾	412	591	526	591	433	330	265	145	134	111	69	36	26	25
other cash benefits ⁽²⁾	226	39	68	44	93	65	39	62	41	31	31	13	13	12
Direct benefits in kind:														
education	353	—	126	—	—	—	—	—	—	—	—	—	—	—
national health service	124	180	159	166	147	138	126	111	123	106	100	89	82	9
welfare foods	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Direct taxes:														
national insurance, employees' contributions	—	—	12	8	11	31	44	61	79	94	107	130	145	165
income tax and surtax	—	13	26	35	23	48	73	132	183	227	323	408	495	1,076
Income after direct taxes and benefits	1,293	1,219	1,342	1,370	1,387	1,440	1,521	1,525	1,684	1,884	2,120	2,436	2,873	4,426
Indirect benefits	75	85	133	103	72	49	49	72	67	74	67	51	29	13
Indirect taxes:														
on final goods and services	154	141	145	158	224	217	215	261	269	319	347	373	404	521
on intermediate products	54	46	52	60	72	72	70	73	82	95	103	110	115	162
Income after all taxes and benefits	1,161	1,117	1,277	1,255	1,163	1,200	1,284	1,262	1,400	1,545	1,738	2,004	2,383	3,755

See footnotes on page liv.

**Average incomes before and after taxes and benefits
1973**

TABLE 1 (continued)

£ per year

	Range of original income: £ per year										Average age over all and income ranges			
	Under 381	381-	461-	557-	674-	816-	987-	1,194-	1,446-	1,749-		2,116-	2,561-	3,099-	3,750 and above
(ii) Non-retired households (continued)														
3 adults														
Number of households	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Original income	13	27	42	58	85	116	147	170	201	232	263	294	325	356
Direct benefits in cash:														
family allowances	..	..	..	..	..	..	..	..	..	..	..	..	..	..
pensions ⁽¹⁾
other cash benefits ⁽²⁾
Direct benefits in kind:														
education	..	..	..	..	..	..	..	..	..	..	..	..	..	..
national health service	..	..	..	..	..	..	..	..	..	..	..	..	..	..
welfare foods	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Direct taxes:														
national insurance, employees' contributions	..	..	..	..	..	..	..	..	..	..	..	..	..	..
income tax and surtax	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Income after direct taxes and benefits	2,260	2,273	2,377	2,545	2,855	3,159	3,463	3,767	4,071	4,375	4,679	4,983	5,287	5,591
Indirect benefits	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Indirect taxes:														
on final goods and services	..	..	..	..	..	..	..	..	..	..	..	..	..	..
on intermediate products	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Income after all taxes and benefits	1,863	1,970	1,987	2,137	2,428	2,611	2,761	2,911	3,061	3,211	3,361	3,511	3,661	3,811

⁽¹⁾ National insurance, retirement and widows' pensions, including supplementary allowances where these are not separately distinguished, war and disability pensions.

⁽²⁾ Including supplementary allowances where separately distinguished.

Average payments of indirect taxes as percentages of income after direct taxes and benefits
1973

	Range of original income: £ per year													Percentages	
	Under 381-	381-	461-	557-	674-	816-	987-	1,194-	1,446-	1,749-	2,116-	2,561-	3,099-	3,750 and above	Average over all income ranges
Local rates															
All households in the sample ..	4.9	3.9	3.6	4.1	3.6	3.8	3.2	3.2	2.7	2.7	2.4	2.3	2.2	1.2	2.5
Retired households															
1 adult ..	6.6	6.1	4.8	5.8	5.5	6.2	6.6	4.7	4.7						6.1
2 adults ..	4.1	3.5	3.0	3.9	4.4	4.3	4.4	3.8	3.8	4.2	2.6	3.6		2.5	3.8
Non-retired households															
1 adult ..	4.1	3.6	5.1	5.2	4.9	4.9	3.8	3.2	3.2	3.1	3.1	3.3	3.1	2.3	3.5
2 adults ..	3.2	2.8	3.9	3.4	3.2	3.4	2.8	3.0	3.0	2.9	2.7	2.5	2.2	2.0	2.5
2 adults, 1 child ..							3.1	2.5	2.5	2.7	2.5	2.5	2.5	1.9	2.4
2 adults, 2 children ..							3.5	3.0	2.5	2.5	2.3	2.4	2.4	2.0	2.3
2 adults, 3 children ..							2.5	2.5	2.8	2.4	2.3	2.0	2.2	2.0	2.2
2 adults, 4 children ..										2.1	2.1	2.1	2.1	2.0	2.1
3 adults ..						2.2				2.4	2.0	2.1	1.9	1.9	2.0
3 adults, 1 child ..	3.3					1.8	2.2	2.1	2.1	2.2	2.0	1.8	1.8	1.6	1.8
3 adults, 2 children ..										1.8	2.0	1.8	2.1	2.2	2.0
4 adults ..											1.7	1.7	2.5	1.5	1.7
Drink															
All households in the sample ..	1.1	2.0	1.6	1.0	1.9	2.3	2.0	2.7	2.4	2.6	2.5	2.6	2.4	2.2	2.5
Retired households															
1 adult ..	1.0	1.0	3.0	0.4	2.2	1.6	1.7	0.8	0.8	0.7	1.3	3.0		4.4	1.1
2 adults ..	1.5	1.8	1.5	0.9	1.7	1.5	1.1	1.6	1.6						1.8
Non-retired households															
1 adult ..	0.9	4.6	1.8	0.8	1.6	3.1	3.0	2.8	3.3	4.1	3.4	2.9	3.7	1.7	2.8
2 adults ..	1.3	1.6	1.0	1.0	1.9	2.2	1.6	3.4	2.5	3.2	3.1	2.9	2.6	2.4	2.6
2 adults, 1 child ..							2.4	3.7	2.6	2.9	2.2	2.5	2.4	2.4	2.5
2 adults, 2 children ..							4.3	1.3	2.0	1.9	2.3	2.0	1.8	3.2	2.3
2 adults, 3 children ..							1.5	1.4	0.9	1.7	1.8	1.9	1.8	2.1	1.8
2 adults, 4 children ..										2.0	2.4	1.9	1.2	1.2	1.7
3 adults ..										2.7	3.0	3.2	3.0	3.0	2.9
3 adults, 1 child ..	1.6					2.9		3.1	2.1	2.0	3.2	2.7	1.9	2.4	2.4
3 adults, 2 children ..										1.6	1.4	3.6	1.4	3.0	2.6
4 adults ..												2.0	3.7	3.2	3.2

**Average payments of indirect taxes as percentages of income after direct taxes and benefits
1973**

	Range of original income: £ per year											Percentages			
	Under 381	381-	461-	557-	674-	816-	987-	1,194-	1,446-	1,749-	2,116-	2,561-	3,099-	3,750 and above	Average overall income ranges
Tobacco															
All households in the sample ..	2.6	3.0	2.7	2.6	3.6	3.3	3.6	4.0	3.5	3.2	3.0	2.8	2.4	1.2	2.6
Retired households	1.5	1.9	1.3	1.1	1.1	0.8	0.7	1.1	1.1					0.5	1.4
1 adult ..	3.3	4.2	3.0	2.4	2.2	2.5	1.2	1.6	1.6	0.3	1.0	0.2			2.4
Non-retired households	2.3	1.4	3.1	0.9	5.1	4.2	3.9	3.9	3.6	2.8	2.6	1.2	1.4	0.8	2.7
1 adult ..	3.7	2.3	2.3	3.4	4.1	3.9	4.8	4.2	4.2	3.7	3.0	2.7	2.2	1.3	2.7
2 adults ..														1.4	2.7
2 adults, 1 child ..														1.7	2.2
2 adults, 2 children ..														1.1	2.2
2 adults, 3 children ..														1.1	2.0
2 adults, 4 children ..														1.1	2.0
3 adults ..	4.1				5.1	3.9		4.8	2.9	2.3	3.1	3.2	1.8	1.2	2.5
3 adults, 1 child ..										3.5	4.1	3.1	3.0	2.1	2.8
3 adults, 2 children ..										4.2	3.2	3.3	2.4	2.1	2.6
4 adults ..										3.5	3.5	3.5	2.3	1.4	2.6
												2.8	3.8	2.3	2.7
Purchase tax/value added tax															
All households in the sample ..	1.6	2.1	2.0	2.0	2.4	3.1	2.5	3.0	2.7	2.8	2.9	3.0	3.0	3.3	2.9
Retired households	1.4	1.6	1.7	2.2	1.3	2.8	1.9	1.1	1.1					2.2	1.6
1 adult ..	1.9	2.5	2.5	2.2	2.4	2.4	2.9	2.9	1.6	2.7	2.0	6.2			2.4
Non-retired households	1.9	2.6	1.9	2.7	2.0	2.6	2.6	3.7	2.7	3.3	2.6	3.2	3.5	3.3	2.9
1 adult ..	1.5	1.5	1.6	1.9	3.2	2.5	3.1	2.5	3.1	3.5	3.4	3.4	3.3	3.5	3.2
2 adults ..														2.9	3.1
2 adults, 1 child ..														2.9	3.1
2 adults, 2 children ..														3.4	3.0
2 adults, 3 children ..														3.1	2.6
2 adults, 4 children ..														1.4	2.6
3 adults ..					2.2	1.9	1.2	4.0	3.1	2.0	2.3	3.5	1.4	3.2	2.6
3 adults, 1 child ..								2.4	2.5	3.0	2.4	2.5	3.3	3.4	2.6
3 adults, 2 children ..											2.7	3.1	2.8	3.2	3.0
4 adults ..										1.8	2.5	2.1	2.8	3.8	2.9
												3.0	2.7	3.2	3.1

**Average payments of indirect taxes as percentages of income after direct taxes and benefits
1973**

TABLE 2 (continued)

	Range of original income: £ per year													Percentages		
	Under 381	381-	461-	557-	674-	816-	987-	1,194-	1,446-	1,749-	2,116-	2,561-	3,099-	3,750 and above	Aver- age overall income ranges	
OII																
All households in the sample	0.5	0.8	0.6	0.6	1.1	1.0	1.0	1.5	1.4	1.7	1.7	1.7	1.8	1.6	1.5	1.5
Retired households																
1 adult	0.2	0.3	0.3	0.3	0.1	0.5	0.7	0.7	0.5					0.9	0.4	
2 adults	0.6	0.7	0.6	0.8	0.8	1.2	1.0	1.0	1.2	1.6					0.8	
Non-retired households																
1 adult	0.6	0.2	0.6	1.1	1.7	0.5	0.7	1.3	1.4	1.8	1.5	1.9	0.7	1.1	1.3	
2 adults	0.9	1.7	0.7	0.5	1.5	1.4	1.3	1.6	1.6	1.8	1.9	1.8	1.9	1.5	1.6	
2 adults, 1 child								1.7	1.7	2.2	1.9	1.9	1.7	1.3	1.7	
2 adults, 2 children								2.1	1.6	1.8	1.7	1.6	1.7	1.4	1.6	
2 adults, 3 children								0.7	1.5	1.7	1.8	1.7	1.7	1.2	1.5	
2 adults, 4 children									1.5	1.2	1.4	1.5	1.2	1.3	1.3	
3 adults									1.3	1.1	1.2	1.6	1.8	1.8	1.6	
3 adults, 1 child	0.7				2.0	1.3		1.6	1.3	2.1	1.4	1.4	1.4	1.4	1.5	
3 adults, 2 children										0.7	1.7	1.6	1.4	1.4	1.3	
4 adults												1.5	3.5	2.1	2.2	
Intermediate taxes																
All households in the sample	4.1	4.6	4.2	4.2	4.5	5.2	4.5	4.8	4.6	4.5	4.4	4.3	4.2	3.3	4.2	
Retired households																
1 adult	4.1	3.7	4.3	3.8	3.0	4.7	3.1	2.7	2.7	3.5	3.1	5.2		3.4	3.9	
2 adults	4.4	4.4	4.1	4.0	3.9	4.3	3.5	3.5	3.5	3.5	3.5	5.2			4.1	
Non-retired households																
1 adult	3.9	6.6	4.8	4.5	5.3	5.4	4.6	4.9	4.3	4.2	3.9	3.9	5.2	2.8	4.3	
2 adults	4.1	3.8	3.9	4.4	5.2	5.0	5.2	4.8	4.9	5.0	4.9	4.5	4.0	3.7	4.3	
2 adults, 1 child								5.1	4.7	4.7	4.5	4.1	4.1	4.0	4.4	
2 adults, 2 children								5.8	6.4	4.9	4.6	4.2	3.9	3.7	4.2	
2 adults, 3 children								4.7	5.9	4.6	3.8	4.0	3.8	3.6	4.0	
2 adults, 4 children									4.1	4.1	4.0	3.9	3.2	3.9	3.9	
3 adults	4.1				4.5	4.2		4.4	4.2	4.7	4.5	4.3	4.6	4.1	4.3	
3 adults, 1 child										4.8	4.8	4.7	4.2	4.1	4.3	
3 adults, 2 children										4.5	4.1	4.1	3.8	4.2	4.1	
4 adults										4.5	4.1	4.3	5.5	4.3	4.5	

**Lowest and highest quintile incomes compared with median incomes before and after taxes and benefits
1969-1973**

	Lowest quintile					Median					Highest quintile				
	1969	1970	1971	1972	1973	1969	1970	1971	1972	1973	1969	1970	1971	1972	1973
	£ per year					Percentage of original income					Percentage of median				
Retired and non-retired households															
1 adult															
Original income	85	90	103	106	112	213	248	256	281	328	913	1,031	1,118	1,309	1,511
Original income plus cash benefits	348	369	406	462	511	473	525	553	645	720	982	1,125	1,215	1,384	1,624
Income after direct taxes and benefits	395	424	473	530	608	515	558	619	696	796	877	965	1,048	1,211	1,413
Income after all taxes and benefits	329	350	399	455	562	432	457	532	626	768	689	759	848	992	1,208
Percentage of original income															
Original income plus cash benefits	409	411	394	436	456	222	212	216	230	220	108	109	109	106	107
Income after direct taxes and benefits	465	472	459	500	543	242	225	242	248	243	96	94	94	93	94
Income after all taxes and benefits	387	390	387	429	502	203	184	208	223	234	75	74	76	76	80
Percentage of median															
Original income	40	36	40	38	34	100	100	100	100	100	429	416	437	466	461
Original income plus cash benefits	74	70	73	72	71	100	100	100	100	100	208	214	220	215	226
Income after direct taxes and benefits	77	76	76	76	76	100	100	100	100	100	170	173	169	174	178
Income after all taxes and benefits	76	77	75	73	73	100	100	100	100	100	159	166	159	158	157
2 adults															
£ per year															
Original income	358	388	377	396	442	1,236	1,368	1,486	1,660	1,903	2,017	2,271	2,511	2,821	3,276
Original income plus cash benefits	738	791	837	947	1,097	1,337	1,477	1,624	1,814	2,075	2,053	2,339	2,547	2,879	3,348
Income after direct taxes and benefits	784	857	926	1,048	1,227	1,214	1,324	1,465	1,658	1,902	1,762	1,983	2,156	2,450	2,860
Income after all taxes and benefits	602	662	738	848	1,054	932	1,011	1,147	1,319	1,575	1,398	1,580	1,737	2,013	2,396
Percentage of original income															
Original income plus cash benefits	206	204	222	239	248	108	108	109	109	109	102	103	101	102	102
Income after direct taxes and benefits	219	221	246	265	278	98	97	99	100	100	87	87	86	87	87
Income after all taxes and benefits	168	170	196	214	238	75	74	77	79	83	69	70	69	71	73
Percentage of median															
Original income	29	28	25	24	23	100	100	100	100	100	163	166	169	170	172
Original income plus cash benefits	55	54	52	52	53	100	100	100	100	100	154	158	157	159	161
Income after direct taxes and benefits	65	65	63	63	65	100	100	100	100	100	145	150	147	148	150
Income after all taxes and benefits	65	65	64	64	67	100	100	100	100	100	150	156	151	153	152

**Lowest and highest quintile incomes compared with median incomes before and after taxes and benefits
1969-1973**

TABLE 3 (continued)

	Lowest quintile					Median					Highest quintile				
	1969	1970	1971	1972	1973	1969	1970	1971	1972	1973	1969	1970	1971	1972	1973
Retired and non-retired households (contd.)															
<i>£ per year</i>															
2 adults, 1 child	1,052	1,182	1,300	1,459	1,785	1,496	1,659	1,807	2,036	2,443	2,049	2,293	2,532	2,879	3,355
Original income	1,124	1,231	1,365	1,537	1,851	1,536	1,705	1,845	2,090	2,508	2,067	2,317	2,543	2,902	3,430
Original income plus cash benefits	1,121	1,248	1,362	1,526	1,828	1,485	1,628	1,752	2,013	2,377	1,928	2,097	2,367	2,686	3,083
Income after direct taxes and benefits	838	928	1,042	1,222	1,482	1,154	1,285	1,400	1,659	1,985	1,576	1,727	1,960	2,268	2,676
Income after all taxes and benefits															
<i>Percentage of original income</i>															
Original income plus cash benefits	107	104	105	105	104	103	103	102	103	103	101	101	100	101	102
Income after direct taxes and benefits	107	106	105	105	102	99	98	97	99	97	94	91	93	93	92
Income after all taxes and benefits	80	79	80	84	83	77	77	77	81	81	77	75	77	79	80
<i>Percentage of median</i>															
Original income	70	71	72	72	73	100	100	100	100	100	137	138	140	141	137
Original income plus cash benefits	73	72	74	74	74	100	100	100	100	100	135	136	138	139	137
Income after direct taxes and benefits	75	77	78	76	77	100	100	100	100	100	130	129	135	133	130
Income after all taxes and benefits	73	72	74	74	75	100	100	100	100	100	137	134	140	137	135
2 adults, 2 children															
<i>£ per year</i>															
Original income	1,163	1,256	1,363	1,584	1,853	1,602	1,716	1,942	2,200	2,535	2,230	2,424	2,676	3,005	3,504
Original income plus cash benefits	1,237	1,351	1,461	1,703	1,939	1,685	1,798	2,001	2,272	2,620	2,267	2,459	2,758	3,051	3,548
Original income plus cash benefits	1,310	1,412	1,537	1,795	2,015	1,686	1,781	2,019	2,289	2,617	2,164	2,417	2,619	2,991	3,438
Income after direct taxes and benefits	1,032	1,091	1,238	1,449	1,656	1,365	1,435	1,652	1,903	2,221	1,750	1,969	2,230	2,533	2,944
Income after all taxes and benefits															
<i>Percentage of original income</i>															
Original income plus cash benefits	106	108	107	108	105	105	105	103	103	103	102	101	103	102	101
Income after direct taxes and benefits	113	112	113	113	109	105	104	104	104	103	97	100	98	100	98
Income after all taxes and benefits	89	87	91	91	89	86	84	85	87	88	78	81	83	84	84
<i>Percentage of median</i>															
Original income	73	73	70	72	73	100	100	100	100	100	139	141	138	137	138
Original income plus cash benefits	73	75	73	75	74	100	100	100	100	100	135	137	138	134	135
Income after direct taxes and benefits	78	79	76	78	77	100	100	100	100	100	128	136	130	131	131
Income after all taxes and benefits	76	76	75	76	75	100	100	100	100	100	128	137	135	133	133

**Lowest and highest quintile incomes compared with median incomes before and after taxes and benefits
1969-1973**

	Lowest quintile					Median					Highest quintile				
	1969	1970	1971	1972	1973	1969	1970	1971	1972	1973	1969	1970	1971	1972	1973
	£ per year														
Retired and non-retired households (contd.)															
2 adults, 3 children															
Original income	1,074	1,202	1,295	1,438	1,831	1,540	1,757	1,847	2,144	2,583	2,296	2,375	2,583	3,014	3,623
Original income plus cash benefits	1,241	1,343	1,495	1,617	1,980	1,658	1,878	2,012	2,287	2,718	2,367	2,452	2,745	3,097	3,666
Income after direct taxes and benefits	1,463	1,563	1,725	1,917	2,297	1,847	1,995	2,169	2,515	2,921	2,442	2,559	2,852	3,274	3,745
Income after all taxes and benefits	1,166	1,229	1,371	1,607	1,991	1,508	1,631	1,820	2,124	2,567	2,035	2,143	2,401	2,823	3,317
Percentage of original income															
Original income plus cash benefits	116	112	115	112	108	108	107	109	107	105	103	103	106	103	101
Income after direct taxes and benefits	136	130	133	133	125	120	114	117	117	113	106	108	110	109	103
Income after all taxes and benefits	109	102	106	112	109	98	93	99	99	99	89	90	93	94	92
Percentage of median															
Original income	70	68	70	67	71	100	100	100	100	100	149	135	140	141	140
Original income plus cash benefits	75	72	74	71	73	100	100	100	100	100	143	131	136	135	135
Income after direct taxes and benefits	79	78	80	76	79	100	100	100	100	100	132	128	131	130	128
Income after all taxes and benefits	77	75	75	76	78	100	100	100	100	100	135	131	132	133	129
2 adults, 4 children															
£ per year															
Original income	995	1,108	1,221	1,212	1,668	1,414	1,589	1,855	1,837	2,362	2,136	2,021	2,635	2,722	3,566
Original income plus cash benefits	1,244	1,450	1,515	1,514	1,969	1,588	1,764	2,021	2,002	2,595	2,311	2,120	2,707	2,916	3,685
Income after direct taxes and benefits	1,518	1,778	1,848	2,112	2,467	1,973	2,122	2,415	2,479	3,197	2,538	2,534	3,042	3,337	4,093
Income after all taxes and benefits	1,273	1,401	1,528	1,730	2,085	1,628	1,778	2,024	2,098	2,830	2,086	2,211	2,530	2,876	3,611
Percentage of original income															
Original income plus cash benefits	125	131	124	125	118	112	111	109	109	110	108	105	103	107	103
Income after direct taxes and benefits	153	160	151	174	148	140	134	130	135	135	119	125	115	123	115
Income after all taxes and benefits	128	126	125	143	125	115	112	109	114	120	98	109	96	106	101
Percentage of median															
Original income	70	70	66	66	71	100	100	100	100	100	151	127	142	148	151
Original income plus cash benefits	78	82	75	76	76	100	100	100	100	100	146	120	134	146	142
Income after direct taxes and benefits	77	84	77	85	77	100	100	100	100	100	129	119	126	135	128
Income after all taxes and benefits	78	79	75	82	74	100	100	100	100	100	128	124	125	137	128

**Lowest and highest quintile incomes compared with median incomes before and after taxes and benefits
1969-1973**

TABLE 3 (continued)

	Lowest quintile					Median					Highest quintile				
	1969	1970	1971	1972	1973	1969	1970	1971	1972	1973	1969	1970	1971	1972	1973
Retired and non-retired households (contd.)															
3 adults															
£ per year															
Original income	1,216	1,355	1,384	1,551	1,896	1,992	2,190	2,330	2,716	3,093	2,804	3,054	3,462	3,762	4,622
Original income plus cash benefits	1,469	1,625	1,711	1,936	2,314	2,090	2,301	2,502	2,867	3,347	2,867	3,112	3,521	3,942	4,715
Income after direct taxes and benefits	1,460	1,529	1,656	1,906	2,244	1,911	2,045	2,250	2,596	3,037	2,501	2,718	3,025	3,449	4,127
Income after all taxes and benefits	1,048	1,121	1,274	1,500	1,847	1,448	1,563	1,763	2,075	2,521	1,966	2,114	2,465	2,843	3,470
Percentage of original income															
Original income plus cash benefits	121	120	124	125	122	105	105	107	106	108	102	102	102	105	102
Income after direct taxes and benefits	120	113	120	123	118	96	93	97	96	98	89	89	87	92	89
Income after all taxes and benefits	86	83	92	97	97	73	71	76	76	82	70	69	71	76	75
Percentage of median															
Original income	61	62	59	57	61	100	100	100	100	100	141	139	149	139	149
Original income plus cash benefits	70	71	68	68	69	100	100	100	100	100	137	135	141	137	141
Income after direct taxes and benefits	76	75	74	73	74	100	100	100	100	100	131	133	134	133	136
Income after all taxes and benefits	72	72	72	72	73	100	100	100	100	100	136	135	140	137	138
3 adults, 1 child															
£ per year															
Original income	1,481	1,596	1,896	2,084	2,351	2,024	2,233	2,542	2,830	3,330	2,732	3,094	3,381	3,824	4,513
Original income plus cash benefits	1,593	1,726	1,998	2,227	2,533	2,077	2,340	2,649	2,949	3,406	2,784	3,202	3,469	3,893	4,533
Income after direct taxes and benefits	1,664	1,797	2,102	2,376	2,698	2,094	2,344	2,653	2,948	3,404	2,688	2,984	3,378	3,636	4,452
Income after all taxes and benefits	1,297	1,390	1,625	1,889	2,245	1,647	1,863	2,166	2,446	2,867	2,109	2,468	2,754	3,036	3,797
Percentage of original income															
Original income plus cash benefits	108	108	105	107	108	103	105	104	104	102	102	103	103	102	100
Income after direct taxes and benefits	112	113	111	114	115	103	105	104	104	102	98	96	100	95	99
Income after all taxes and benefits	88	87	86	91	95	81	83	85	86	86	77	80	81	79	84
Percentage of median															
Original income	73	71	75	74	71	100	100	100	100	100	135	139	133	135	136
Original income plus cash benefits	77	74	75	76	74	100	100	100	100	100	134	137	131	132	133
Income after direct taxes and benefits	79	77	79	81	79	100	100	100	100	100	128	127	127	123	131
Income after all taxes and benefits	79	75	75	77	78	100	100	100	100	100	128	132	127	124	132

**Lowest and highest quintile incomes compared with median incomes before and after taxes and benefits
1969-1973**

TABLE 3 (continued)

	Lowest quintile					Median					Highest quintile				
	1969	1970	1971	1972	1973	1969	1970	1971	1972	1973	1969	1970	1971	1972	1973
	£ per year	£ per year	£ per year	£ per year	£ per year	Percentage of original income	Percentage of original income	Percentage of original income	Percentage of original income	Percentage of original income	Percentage of original income	Percentage of original income	Percentage of original income	Percentage of original income	Percentage of original income
Retired and non-retired households (contd.)															
3 adults, 2 children															
Original income	1,393	1,576	1,782	1,859	2,116	1,999	2,226	2,599	2,617	3,099	2,695	2,901	3,547	3,737	4,330
Original income plus cash benefits	1,581	1,853	1,965	2,088	2,366	2,095	2,385	2,755	2,810	3,297	2,874	3,086	3,660	3,995	4,465
Income after direct taxes and benefits	1,769	1,995	2,162	2,488	2,830	2,257	2,499	2,800	3,053	3,645	3,091	3,042	3,598	4,147	4,469
Income after all taxes and benefits	1,393	1,590	1,706	2,077	2,352	1,814	2,018	2,241	2,535	3,168	2,463	2,536	3,000	3,397	3,862
Percentage of original income	113	118	110	112	112	105	107	106	107	106	107	106	103	107	103
Original income plus cash benefits	127	127	121	134	134	113	112	108	117	118	115	105	101	111	104
Income after direct taxes and benefits	100	101	96	112	111	91	91	86	97	102	91	87	85	91	89
Income after all taxes and benefits	100	101	96	112	111	91	91	86	97	102	91	87	85	91	89
Percentage of median	70	71	69	71	68	100	100	100	100	100	135	130	136	143	140
Original income	75	78	71	74	72	100	100	100	100	100	137	129	133	142	135
Original income plus cash benefits	78	80	77	81	78	100	100	100	100	100	137	122	129	136	123
Income after direct taxes and benefits	77	79	76	82	74	100	100	100	100	100	136	126	134	134	122
Income after all taxes and benefits	77	79	76	82	74	100	100	100	100	100	136	126	134	134	122
4 adults															
Original income	1,858	2,088	2,447	2,542	2,842	2,662	3,012	3,289	3,562	4,340	3,517	3,933	4,473	5,263	6,031
Original income plus cash benefits	2,148	2,317	2,687	2,800	3,158	2,817	3,105	3,455	3,775	4,479	3,641	4,041	4,524	5,368	6,163
Income after direct taxes and benefits	2,011	2,226	2,505	2,690	3,142	2,497	2,793	3,106	3,564	4,123	3,298	3,625	4,091	4,750	5,421
Income after all taxes and benefits	1,472	1,676	1,884	2,182	2,593	1,887	2,151	2,495	2,863	3,461	2,498	2,835	3,387	3,930	4,548
Percentage of original income	116	111	110	110	111	106	103	105	106	103	104	103	101	102	102
Original income plus cash benefits	108	107	102	106	111	94	93	94	100	95	94	92	91	90	90
Income after direct taxes and benefits	79	80	77	86	91	71	71	76	80	80	71	72	76	75	75
Income after all taxes and benefits	79	80	77	86	91	71	71	76	80	80	71	72	76	75	75
Percentage of median	70	69	74	71	65	100	100	100	100	100	132	131	136	148	139
Original income	76	75	78	74	71	100	100	100	100	100	129	130	131	142	138
Original income plus cash benefits	81	80	81	75	76	100	100	100	100	100	132	130	132	133	131
Income after direct taxes and benefits	78	78	76	76	75	100	100	100	100	100	132	132	136	137	131
Income after all taxes and benefits	78	78	76	76	75	100	100	100	100	100	132	132	136	137	131

**Lowest and highest quintile incomes compared with median incomes before and after taxes and benefits
1969-1973**

TABLE 3 (continued)

	Lowest quintile					Median					Highest quintile				
	1969	1970	1971	1972	1973	1969	1970	1971	1972	1973	1969	1970	1971	1972	1973
Retired and non-retired households (contd.)															
All households in the sample															
£ per year															
Original income	495	521	482	553	534	1,402	1,540	1,679	1,877	2,139	2,261	2,472	2,724	3,041	3,523
Original income plus cash benefits	770	827	857	1,001	1,074	1,513	1,656	1,799	2,009	2,301	2,337	2,541	2,833	3,131	3,621
Income after direct taxes and benefits	806	875	926	1,066	1,182	1,483	1,594	1,726	1,977	2,246	2,221	2,431	2,649	2,987	3,433
Income after all taxes and benefits	616	666	737	857	1,010	1,157	1,240	1,381	1,605	1,881	1,758	1,965	2,168	2,487	2,929
Percentage of original income															
Original income plus cash benefits	156	159	178	181	201	108	108	107	107	108	103	103	104	103	103
Income after direct taxes and benefits	163	168	192	193	221	106	104	103	105	105	98	98	97	98	97
Income after all taxes and benefits	124	128	153	155	189	83	81	82	86	88	78	79	80	82	83
Percentage of median															
Original income	35	34	29	29	25	100	100	100	100	100	161	161	162	162	165
Original income plus cash benefits	51	50	48	50	47	100	100	100	100	100	154	153	157	156	157
Income after direct taxes and benefits	54	55	54	54	53	100	100	100	100	100	150	150	153	151	153
Income after all taxes and benefits	53	54	53	53	54	100	100	100	100	100	152	158	157	155	156
Non-retired households															
1 adult															
£ per year															
Original income	314	342	373	523	567	749	900	976	1,177	1,368	1,380	1,539	1,662	1,907	2,113
Original income plus cash benefits	497	567	596	703	836	811	980	1,047	1,257	1,446	1,414	1,553	1,694	1,944	2,334
Income after direct taxes and benefits	509	573	613	720	867	757	846	902	1,101	1,279	1,187	1,248	1,400	1,612	1,858
Income after all taxes and benefits	409	440	504	608	728	583	647	737	884	1,063	953	979	1,116	1,322	1,556
Percentage of original income															
Original income plus cash benefits	158	166	160	134	147	108	109	107	107	106	102	101	102	102	110
Income after direct taxes and benefits	162	168	164	138	153	101	94	92	94	93	86	81	84	85	88
Income after all taxes and benefits	130	129	135	116	128	78	72	76	75	78	69	64	67	69	74
Percentage of median															
Original income	42	38	38	44	41	100	100	100	100	100	184	171	170	162	154
Original income plus cash benefits	61	58	57	56	58	100	100	100	100	100	174	158	162	155	161
Income after direct taxes and benefits	67	68	68	65	68	100	100	100	100	100	157	148	155	146	145
Income after all taxes and benefits	70	68	68	69	68	100	100	100	100	100	163	151	151	150	146

**Lowest and highest quintile incomes compared with median incomes before and after taxes and benefits
1969-1973**

	TABLE 3 (continued)														
	Lowest quintile					Median					Highest quintile				
	1969	1970	1971	1972	1973	1969	1970	1971	1972	1973	1969	1970	1971	1972	1973
Non-retired households (continued)															
2 adults															
£ per year															
Original income	900	1,011	1,082	1,241	1,414	1,499	1,668	1,868	2,064	2,378	2,178	2,494	2,784	3,070	3,549
Original income plus cash benefits	1,031	1,163	1,249	1,429	1,621	1,556	1,732	1,930	2,145	2,487	2,219	2,529	2,814	3,104	3,594
Income after direct taxes and benefits	972	1,069	1,190	1,337	1,537	1,373	1,505	1,664	1,908	2,190	1,923	2,118	2,346	2,652	3,037
Income after all taxes and benefits	727	813	911	1,047	1,259	1,056	1,148	1,320	1,520	1,821	1,508	1,715	1,913	2,190	2,541
Percentage of original income															
Original income plus cash benefits	115	115	115	115	115	104	104	103	104	105	102	101	101	101	101
Income after direct taxes and benefits	108	106	110	108	109	92	90	89	92	92	88	85	84	86	86
Income after all taxes and benefits	81	80	84	84	89	70	69	71	74	77	69	69	69	71	72
Percentage of median															
Original income	60	61	58	60	59	100	100	100	100	100	145	150	149	149	149
Original income plus cash benefits	66	67	65	67	65	100	100	100	100	100	143	146	146	145	145
Income after direct taxes and benefits	71	71	72	70	70	100	100	100	100	100	140	141	141	139	139
Income after all taxes and benefits	69	71	69	69	69	100	100	100	100	100	143	149	145	144	140
All non-retired households															
£ per year															
Original income	970	1,060	1,134	1,285	1,511	1,589	1,743	1,930	2,142	2,497	2,403	2,638	2,925	3,265	3,761
Original income plus cash benefits	1,101	1,212	1,291	1,463	1,699	1,682	1,854	2,027	2,266	2,634	2,470	2,734	3,013	3,372	3,877
Income after direct taxes and benefits	1,101	1,201	1,301	1,484	1,686	1,637	1,764	1,942	2,213	2,538	2,357	2,557	2,832	3,157	3,641
Income after all taxes and benefits	837	902	1,008	1,178	1,373	1,294	1,397	1,566	1,816	2,146	1,884	2,075	2,332	2,645	3,108
Percentage of original income															
Original income plus cash benefits	114	114	114	114	112	106	106	105	106	105	103	104	103	103	103
Income after direct taxes and benefits	114	113	115	115	112	103	101	101	103	102	98	97	97	97	97
Income after all taxes and benefits	86	85	89	92	91	81	80	81	85	86	78	79	80	81	83
Percentage of median															
Original income	61	61	59	60	61	100	100	100	100	100	151	151	152	152	151
Original income plus cash benefits	65	65	64	65	65	100	100	100	100	100	147	149	149	149	147
Income after direct taxes and benefits	67	68	67	67	66	100	100	100	100	100	144	145	146	143	143
Income after all taxes and benefits	65	65	64	65	64	100	100	100	100	100	146	149	149	146	145

**Income after all taxes and benefits as a percentage of original income
1970-1973**

TABLE 4 (f)

	Range of original income: £ per year											Percentages			
												3,750 and above	3,099-	Aver- age over all income ranges	
	Under 381	381-	461-	557-	674-	816-	987-	1,194-	1,446-	1,749-	2,116-	2,561-	3,099-	3,750 and above	Aver- age over all income ranges
All households in the sample															
1970..	494	178	141	130	113	104	89	86	81	78	74	73	67	84	
1971..	547	195	160	141	126	107	100	90	85	81	76	74	70	86	
1972..	695	210	202	154	142	129	110	97	90	86	79	77	73	88	
1973..	790	245	220	184	163	130	121	103	98	91	83	80	74	90	
Retired households															
1 adult															
1970..	538	133	114	108	97	80	87							219	
1971..	539	141	123	106	103	95								207	
1972..	691	156	142	130	115	101	104	94						243	
1973..	735	194	166	146	133	109								259	
2 adults															
1970..	544	176	144	137	129	108	90	79	74	72				150	
1971..	569	189	166	147	124	124	104	84						188	
1972..	668	231	187	161	139	133	126	102	89	93	83		70	192	
1973..	757	265	222	199	175	151	141	119	99					194	
Non-retired households															
1 adult															
1970..	250	123	110	84	77	70	68	61	56	65				74	
1971..	291	127	103	97	88	72	74	63	63	63		58		77	
1972..	385	145	122	100	95	92	75	67	68	66	62	62	65	78	
1973..	463	222	139	140	99	85	83	72	69	68	69	63	65	80	
2 adults															
1970..	276	184	129	124	97	91	78	69	68	66	66	66	62	71	
1971..	336	212	150	160	127	98	87	73	70	67	67	66	63	72	
1972..	532	210	180	147	139	119	100	81	74	71	68	67	67	75	
1973..	650	267	256	205	156	132	118	88	80	74	71	70	68	77	
2 adults, 1 child															
1970..	759		116			92	90	75	73	75	72	73	69	77	
1971..	971					105	89	81	75	76	73	73	70	79	
1972..	1,163		142			125	111	84	80	77	76	72	72	80	
1973..							119	91	83	82	79	76	73	80	
2 adults, 2 children															
1970..	598		127			117	93	83	81	81	77	76	70	83	
1971..	582					111	107	88	85	82	79	76	74	84	
1972..						157	114	91	88	84	82	79	76	85	
1973..							108	100	93	88	84	83	77	86	

**Income after direct taxes and benefits as a percentage of original income
1970-1973**

		Range of original income: £ per year											Percentages			
		Under 381	381-	461-	557-	674-	816-	987-	1,194-	1,446-	1,749-	2,116-	2,561-	3,099-	3,750 and above	Average over all income ranges
All households in the sample																
1970..	..	600	217	178	160	144	131	114	109	104	99	97	93	91	82	105
1971..	..	644	233	203	172	153	131	122	112	106	101	98	94	90	85	105
1972..	..	804	252	239	190	167	155	134	119	111	105	100	97	94	88	107
1973..	..	839	279	246	210	191	155	141	123	115	108	103	99	95	89	106
Retired households																
1 adult																
1970..	..	636	164	135	128	118	108	108								263
1971..	..	624	168	151	141	129	119	108								243
1972..	..	784	183	162	149	135	127	124		107						279
1973..	..	752	210	184	167	152	129	124								275
2 adults																
1970..	..	672	225	188	164	162	135	130		101	104	90				188
1971..	..	690	237	211	179	161	147	129	122	108						231
1972..	..	792	280	232	212	178	165	149	130	124	107	107				232
1973..	..	834	310	260	235	208	176	165		138	117	105	105	82		222
Non-retired households																
1 adult																
1970..	..	315	141	128	108	100	91	87	80	81	78	79				94
1971..	..	334	145	128	114	106	91	92	85	80	79	77				94
1972..	..	436	171	154	118	115	108	94	89	85	84	83				95
1973..	..	494	262	158	159	121	105	95	94	87	84	82				95
2 adults																
1970..	..	353	222	173	155	128	116	101	94	91	88	85				90
1971..	..	413	253	199	199	152	122	110	101	93	89	85				90
1972..	..	629	256	228	186	165	140	122	105	100	93	89				92
1973..	..	725	291	269	224	186	158	139	115	105	97	91				92
2 adults, 1 child																
1970..	..	909			150	150	125	115	103	97	93	92				97
1971..	..	1,119			172	172	132	114	106	100	94	94				97
1972..	..	1,337					159	132	110	106	98	92				97
1973..	..						140	140	128	110	101	98				96
2 adults, 2 children																
1970..	..	1,006			158	158	144	119	111	105	100	99				102
1971..	..	688					138	131	118	108	103	102				102
1972..	..						185	139	120	113	106	102				103
1973..	..							128	117	118	109	104				101

**Total taxes as a percentage of original income plus cash benefits
1970-1973**

TABLE 4 (iii)

		Range of original income: £ per year											Aver- age over all income ranges		
		Under 381	381- 461-	461- 557-	557- 674-	674- 816-	816- 987-	987- 1,194-	1,194- 1,446-	1,446- 1,749-	1,749- 2,116-	2,116- 2,561-	2,561- 3,099-	3,099- 3,750 and above	Percentages
All households in the sample															
1970..	..	25	26	30	33	34	36	37	38	37	36	38	37	39	36
1971..	..	24	26	28	30	32	33	35	36	36	35	36	36	37	35
1972..	..	23	23	29	27	29	31	33	33	33	34	34	34	35	33
1973..	..	21	24	24	27	30	30	33	32	33	33	33	33	33	32
Retired households															
1 adult															
1970..	..	22	28	27	33	42	34								27
1971..	..	22	24	33	31	32	34								26
1972..	..	20	22	23	30	35	35	29							24
1973..	..	19	21	23	23	32	30	29							23
2 adults															
1970..	..	25	28	28	30	34	44	40	40	44	39				33
1971..	..	25	27	24	35	30	34	28	39	34					30
1972..	..	24	23	33	30	30	27	33	33	34	31	36		39	29
1973..	..	21	23	21	24	27	25	28	28	30					27
Non-retired households															
1 adult															
1970..	..	31	25	36	35	39	39	43	42	46	38				38
1971..	..	26	25	28	33	37	36	38	41	41	40				37
1972..	..	23	23	29	29	31	35	36	37	36	37	40	43	37	35
1973..	..	23	36	25	32	35	33	35	35	37	37	35	39	36	35
2 adults															
1970..	..	29	24	29	36	35	36	39	39	38	38	37	36	40	38
1971..	..	28	25	31	28	33	36	38	38	37	38	37	36	38	37
1972..	..	27	26	28	26	26	31	35	34	35	35	37	36	35	35
1973..	..	25	19	21	26	28	29	34	35	35	36	35	34	35	34
2 adults, 1 child															
1970..	..	45			41	33	35	36	38	37	35	35		35	36
1971..	..	29			33	33	36	36	34	36	34	34	33	34	34
1972..	..	31			30	34	24	34	33	34	34	33	36	32	33
1973..	..						31	32	31	34	33	33	34	32	33
2 adults, 2 children															
1970..	..	112			35	29	34	35	36	35	33	35		36	35
1971..	..	24				29	30	33	33	32	33	33	33	32	32
1972..	..					24	32	34	33	32	33	32	34	32	32
1973..	..						40	38	30	31	33	32	31	32	32

**Total benefits as a percentage of original income plus cash benefits
1970-1973**

	Range of original income: £ per year												Percentages		
	Under 381	381-	461-	557-	674-	816-	987-	1,194-	1,446-	1,749-	2,116-	2,561-	3,099-	3,750 and above	Average over all income ranges
All households in the sample															
1970..	106	67	57	51	43	37	26	23	20	16	14	12	10	6	21
1971..	111	74	67	54	49	37	33	25	22	18	16	13	10	7	22
1972..	116	74	78	61	55	50	39	30	24	20	17	14	12	8	23
1973..	126	86	82	69	63	51	46	36	30	24	21	17	13	9	23
Retired households															
1 adult															
1970..	99	48	36	33	30	26	24								73
1971..	102	49	45	38	33	28	24								72
1972..	107	54	49	43	40	35	33	24							78
1973..	119	70	61	51	45	38	33	24							85
2 adults															
1970..	102	65	58	50	47	40	37	31	22	22	14				60
1971..	106	68	63	53	50	46	37	34	26	26					71
1972..	110	79	69	63	53	50	44	34	34	26					71
1973..	117	85	75	68	64	57	51	41	41	29	26	22		11	71
Non-retired households															
1 adult															
1970..	92	41	35	23	14	12	7	4	4	3	3				15
1971..	98	44	31	26	23	11	11	8	4	4	4				16
1972..	105	50	46	29	25	24	12	9	5	5	4	2		2	15
1973..	137	114	51	53	31	22	17	14	9	6	5	5		1	16
2 adults															
1970..	89	67	53	46	33	27	17	13	10	6	5	3		2	10
1971..	102	77	61	68	47	31	25	17	13	9	5	4	3	2	11
1972..	119	74	68	55	51	40	31	21	16	10	7	5	3	2	11
1973..	146	85	93	72	58	51	43	30	23	17	11	7	4	3	12
2 adults, 1 child															
1970..	189				54	26	26	17	14	10	10	7		3	14
1971..	180				61	37	25	21	15	12	10	7	6	4	14
1972..	178				61	53	34	22	18	14	11	9	8	5	14
1973..							47	37	22	17	15	12	10	5	14
2 adults, 2 children															
1970..	234				56	43	27	25	20	17	15	13		7	18
1971..	123					38	36	28	22	18	16	12	10	6	17
1972..						65	43	29	24	21	17	14	13	8	18
1973..							46	35	31	24	21	17	15	9	18

**Indirect taxes as a percentage of income after direct taxes and benefits
1970-1973**

TABLE 4 (v)

		Range of original income: £, per year											Percentages			
		Range of original income: £, per year											Aver- age over all Income ranges			
		Under 381	381- 461-	461- 557-	557- 674-	674- 816-	816- 987-	987- 1,194-	1,194- 1,446-	1,446- 1,749-	1,749- 2,116-	2,116- 2,561-	2,561- 3,099-	3,099- 3,750 and above		
All households in the sample		20	19	22	20	22	23	22	23	22	21	20	19	21		
1970..	..	19	18	22	19	20	21	20	21	20	20	19	18	20		
1971..	..	18	18	20	21	19	21	19	21	19	19	19	17	19		
1972..	..	16	18	16	19	20	18	21	19	19	18	17	17	18		
1973..	..	16	18	16	19	20	18	21	19	19	18	17	17	18		
Retired households		19	21	16	16	18	19	26	26	26	26	26	26	19		
1 adult	..	18	16	19	24	19	21	21	21	21	21	21	21	18		
1970..	..	16	15	14	18	22	16	18	18	18	18	18	18	16		
1971..	..	16	16	15	14	18	16	18	18	18	18	18	18	16		
1972..	..	16	16	15	14	18	16	18	18	18	18	18	18	16		
1973..	..	16	16	15	14	18	16	18	18	18	18	18	18	16		
2 adults		21	22	24	17	21	32	21	22	29	20	20	20	22		
1970..	..	20	21	22	18	25	19	18	22	22	20	20	20	20		
1971..	..	20	19	21	24	22	15	19	18	17	12	15	19	19		
1972..	..	17	19	16	16	17	16	18	15	15	22	15	15	17		
1973..	..	17	19	16	16	17	16	18	15	15	22	15	15	17		
Non-retired households		22	14	17	23	24	24	23	26	28	18	18	22	22		
1 adult	..	20	18	20	19	20	21	21	23	21	19	19	20	20		
1970..	..	19	17	27	20	20	22	20	22	20	20	19	19	21		
1971..	..	15	20	19	17	22	20	22	20	21	18	19	13	19		
1972..	..	15	20	17	22	22	20	22	20	21	18	19	13	19		
1973..	..	15	20	17	22	22	20	22	20	21	18	19	13	19		
2 adults		23	19	28	22	25	24	23	25	24	23	21	17	22		
1970..	..	21	18	26	21	20	23	22	24	22	22	18	17	21		
1971..	..	20	21	24	20	24	23	22	23	22	20	18	17	21		
1972..	..	20	21	25	20	23	22	21	23	21	22	20	16	20		
1973..	..	16	15	15	16	21	19	20	22	22	21	18	15	19		
2 adults, 1 child		22	19	28	22	25	24	23	25	24	23	21	17	22		
1970..	..	15	18	26	21	20	23	22	24	22	20	18	17	21		
1971..	..	19	23	23	24	23	21	20	23	21	22	20	16	20		
1972..	..	19	23	23	24	23	21	20	23	21	22	20	16	20		
1973..	..	19	23	23	24	23	21	20	23	21	22	20	15	19		
2 adults, 2 children		41	21	24	27	24	22	27	23	22	19	16	16	20		
1970..	..	18	21	21	21	24	24	21	23	21	18	19	19	20		
1971..	..	18	20	23	23	23	18	20	22	21	18	18	17	18		
1972..	..	18	20	23	23	23	21	20	22	21	18	18	15	18		
1973..	..	18	20	23	23	23	21	20	22	21	18	18	15	18		

**Average incomes before and after taxes and benefits
1961-1973**

TABLE 5

	Average Income				Percentage of original income				Percentage of corresponding income in 1961					
	1961	1965	1969	1972	1973	1961	1965	1969	1972	1973	1965	1969	1972	1973
	£ per year													
Retired and non-retired households														
1 adult														
Old basis														
Original income	319	429	522	698	802	100	100	100	100	100	134	164	219	251
Income after direct taxes and benefits	404	534	670	909	1,044	127	124	128	130	130	132	166	225	258
Income after all taxes and benefits	346	447	555	779	943	108	104	106	112	118	129	160	225	273
New basis														
Original income	312	420	510	677	779	100	100	100	100	100	135	163	217	250
Income after direct taxes and benefits	404	534	670	909	1,044	129	127	131	134	134	132	166	225	258
Income after all taxes and benefits	(341)	(439)	546	763	927	(109)	(105)	107	113	119	(129)	160	224	272
2 adults														
Old basis														
Original income	843	1,039	1,395	1,857	2,183	100	100	100	100	100	123	165	220	259
Income after direct taxes and benefits	847	1,034	1,352	1,840	2,153	100	100	97	99	99	122	160	217	254
Income after all taxes and benefits	707	845	1,074	1,528	1,849	84	81	77	82	85	120	152	216	262
New basis														
Original income	824	1,007	1,351	1,790	2,108	100	100	100	100	100	122	164	217	256
Income after direct taxes and benefits	847	1,034	1,352	1,840	2,153	103	103	100	103	102	122	160	217	254
Income after all taxes and benefits	(698)	(828)	1,054	1,494	1,814	(85)	(82)	78	83	86	(119)	151	214	260
2 adults, 1 child														
Old basis														
Original income	1,041	1,322	1,643	2,313	2,778	100	100	100	100	100	127	158	222	267
Income after direct taxes and benefits	1,005	1,275	1,559	2,156	2,564	97	96	95	93	92	127	155	215	255
Income after all taxes and benefits	847	1,050	1,244	1,814	2,191	81	79	76	78	79	124	147	214	259
New basis														
Original income	1,016	1,281	1,586	2,223	2,673	100	100	100	100	100	126	156	219	263
Income after direct taxes and benefits	1,005	1,275	1,559	2,156	2,564	99	100	98	97	96	127	155	215	255
Income after all taxes and benefits	(836)	(1,032)	1,220	1,776	2,147	(82)	(81)	77	80	80	(123)	146	212	257
2 adults, 2 children														
Old basis														
Original income	1,051	1,284	1,819	2,479	2,860	100	100	100	100	100	122	173	236	272
Income after direct taxes and benefits	1,107	1,355	1,818	2,456	2,784	105	106	100	99	97	122	164	222	251
Income after all taxes and benefits	948	1,132	1,498	2,078	2,406	90	88	82	84	84	119	158	219	254
New basis														
Original income	1,026	1,245	1,762	2,388	2,755	100	100	100	100	100	121	172	233	269
Income after direct taxes and benefits	1,107	1,355	1,818	2,456	2,784	108	109	103	103	101	122	164	222	251
Income after all taxes and benefits	(936)	(1,113)	1,473	2,034	2,359	(91)	(89)	84	85	86	(119)	157	217	252
2 adults, 3 children														
Old basis														
Original income	991	1,333	1,762	2,476	2,994	100	100	100	100	100	135	178	250	302
Income after direct taxes and benefits	1,187	1,505	1,971	2,733	3,188	120	113	112	110	106	127	166	230	269
Income after all taxes and benefits	1,020	1,285	1,651	2,359	2,820	103	96	94	95	94	126	162	231	276
New basis														
Original income	967	1,289	1,705	2,387	2,890	100	100	100	100	100	133	176	247	299
Income after direct taxes and benefits	1,187	1,505	1,971	2,733	3,188	123	117	116	114	110	127	166	230	269
Income after all taxes and benefits	(1,008)	(1,263)	1,625	2,313	2,770	(104)	(98)	95	97	96	(125)	161	229	275

See Note on page lxxii.

**Average incomes before and after taxes and benefits
1961-1973**

TABLE 5 (continued)

	Average income					Percentage of original income					Percentage of corresponding income in 1961				
	£ per year					Percentages					1961=100				
	1961	1965	1969	1972	1973	1961	1965	1969	1972	1973	1965	1969	1972	1973	
Retired and non-retired households (continued)															
2 adults, 4 children															
Old basis															
Original income	1,053	1,259	1,692	2,222	2,752	100	100	100	100	100	120	161	211	261	
Income after direct taxes and benefits	1,283	1,600	2,121	2,801	3,372	122	127	125	126	123	125	165	218	263	
Income after all taxes and benefits	1,135	1,364	1,788	2,423	3,020	108	108	106	109	110	120	158	213	266	
New basis															
Original income	1,030	1,219	1,638	2,142	2,652	100	100	100	100	100	118	159	208	257	
Income after direct taxes and benefits	1,283	1,600	2,121	2,801	3,372	125	131	129	131	127	125	165	218	263	
Income after all taxes and benefits	(1,123)	(1,343)	1,760	2,375	2,969	(109)	(110)	107	111	112	(120)	157	211	264	
3 adults															
Old basis															
Original income	1,318	1,672	2,221	2,896	3,500	100	100	100	100	100	127	169	220	266	
Income after direct taxes and benefits	1,258	1,569	2,065	2,749	3,274	95	94	93	95	94	125	164	219	260	
Income after all taxes and benefits	1,049	1,270	1,640	2,281	2,799	80	76	74	79	80	121	156	217	267	
New basis															
Original income	1,282	1,616	2,140	2,781	3,366	100	100	100	100	100	126	167	217	263	
Income after direct taxes and benefits	1,258	1,569	2,065	2,749	3,274	98	97	96	99	97	125	164	219	260	
Income after all taxes and benefits	(1,035)	(1,248)	1,609	2,232	2,745	(81)	(77)	75	80	82	(121)	155	216	265	
3 adults, 1 child															
Old basis															
Original income	1,495	1,628	2,207	3,116	3,641	100	100	100	100	100	109	148	208	244	
Income after direct taxes and benefits	1,415	1,689	2,195	3,073	3,641	95	104	99	99	100	119	155	217	257	
Income after all taxes and benefits	1,198	1,411	1,776	2,604	3,151	80	87	80	84	87	118	148	217	263	
New basis															
Original income	1,457	1,571	2,123	2,991	3,506	100	100	100	100	100	108	146	205	241	
Income after direct taxes and benefits	1,415	1,689	2,195	3,073	3,641	97	108	103	103	104	119	155	217	257	
Income after all taxes and benefits	(1,182)	(1,387)	1,743	2,549	3,090	(81)	(88)	82	85	88	(117)	147	216	261	
3 adults, 2 children															
Old basis															
Original income	1,326	1,721	2,307	2,968	3,534	100	100	100	100	100	130	174	224	267	
Income after direct taxes and benefits	1,426	1,918	2,491	3,294	3,885	108	111	108	111	110	135	175	231	272	
Income after all taxes and benefits	1,209	1,637	2,051	2,774	3,392	91	95	89	93	96	135	170	229	281	
New basis															
Original income	1,289	1,661	2,232	2,862	3,412	100	100	100	100	100	129	173	222	265	
Income after direct taxes and benefits	1,426	1,918	2,491	3,294	3,885	111	115	112	115	114	135	175	231	272	
Income after all taxes and benefits	(1,190)	(1,607)	2,014	2,711	3,329	(92)	(97)	90	95	98	(135)	169	228	280	

See Note on page lxxii.

**Average incomes before and after taxes and benefits
1961-1973**

	Average income				Percentage of original income				Percentage of corresponding income in 1961					
	1961	1965	1969	1972	1973	1961	1965	1969	1972	1973	1965	1969	1972	1973
	£ per year				Percentages				1961 = 100					
Retired and non-retired households (continued)														
4 adults														
Old basis														
Original income	1,797	2,147	2,914	4,036	4,715	100	100	100	100	100	119	162	225	262
Income after direct taxes and benefits	1,629	2,027	2,698	3,766	4,426	91	94	93	93	94	124	166	231	272
Income after all taxes and benefits	1,371	1,654	2,119	3,119	3,768	76	77	73	77	80	121	155	227	275
New basis														
Original income	1,742	2,064	2,789	3,866	4,520	100	100	100	100	100	118	160	222	259
Income after direct taxes and benefits	1,629	2,027	2,698	3,766	4,426	94	98	97	97	98	124	166	231	272
Income after all taxes and benefits	(1,352)	(1,625)	2,079	3,052	3,692	(78)	(79)	75	79	82	(120)	154	226	273
All households in the sample														
Old basis														
Original income	984	1,211	1,572	2,076	2,396	100	100	100	100	100	123	160	211	243
Income after direct taxes and benefits	1,016	1,252	1,600	2,137	2,443	103	103	102	103	102	123	157	210	240
Income after all taxes and benefits	858	1,037	1,295	1,802	2,118	87	86	82	87	88	121	151	210	247
New basis														
Original income	960	1,172	1,519	1,997	2,309	100	100	100	100	100	122	158	208	241
Income after direct taxes and benefits	1,016	1,252	1,600	2,137	2,443	106	107	105	107	106	123	157	210	240
Income after all taxes and benefits	(847)	(1,019)	1,271	1,764	2,078	(88)	(87)	84	88	90	(120)	150	208	245
Retired and non-retired households (excluding pensioner households)														
1 adult														
Old basis														
Original income	467	639	787	1,088	1,183	100	100	100	100	100	137	169	233	253
Income after direct taxes and benefits	485	653	805	1,113	1,254	104	102	102	102	106	135	166	229	259
Income after all taxes and benefits	412	540	659	938	1,093	88	85	84	86	92	131	160	228	265
New basis														
Original income	458	625	769	1,055	1,149	100	100	100	100	100	136	168	230	251
Income after direct taxes and benefits	485	653	805	1,113	1,254	106	104	105	105	109	135	166	229	259
Income after all taxes and benefits	(406)	(531)	647	919	1,074	(89)	(85)	84	87	93	(131)	159	226	265
2 adults														
Old basis														
Original income	926	1,169	1,565	2,082	2,451	100	100	100	100	100	126	169	225	265
Income after direct taxes and benefits	895	1,104	1,441	1,960	2,295	97	94	92	94	94	123	161	219	256
Income after all taxes and benefits	747	900	1,141	1,623	1,960	81	77	73	78	80	120	153	217	262
New basis														
Original income	905	1,133	1,516	2,007	2,366	100	100	100	100	100	125	168	222	261
Income after direct taxes and benefits	895	1,104	1,441	1,960	2,295	99	97	95	98	97	123	161	219	256
Income after all taxes and benefits	(737)	(883)	1,119	1,588	1,922	(81)	(78)	74	79	81	(120)	152	215	261

..: Figures in brackets are estimated.

**Distribution of households co-operating in the Family Expenditure Survey
by range of original income
1973**

At least	Range of original income £ per year	Number															
		1 adult		2 adults		3 adults		2 adults 1 child	2 adults 2 children	2 adults 3 children	3 adults 1 child	3 adults 2 children	4 adults	Others	All house- holds		
		retired	non- retired	retired	non- retired	retired	non- retired										
Less than
381	..	639	68	357	59	13	4	9	8	5	2	1	1	71	1,242		
461	..	26	14	30	15	3	1	2	—	1	—	—	—	2	94		
557	..	26	26	30	20	—	2	2	3	—	—	—	—	5	118		
674	..	33	19	28	24	4	1	2	4	1	1	1	—	7	125		
816	..	10	23	27	32	1	9	3	3	1	1	—	1	10	124		
816	..	12	26	23	40	2	8	8	2	1	—	1	1	14	140		
987	..	11	51	17	60	—	9	17	11	4	4	1	—	16	213		
1,194	..	9	68	9	94	1	13	26	23	5	4	4	—	17	286		
1,446	..	15	78	12	163	—	27	58	65	6	7	4	6	26	494		
1,749	..	3	66	15	195	3	42	103	136	23	12	11	5	27	684		
2,116
2,561	..	8	52	10	218	3	58	154	147	71	25	12	7	34	818		
3,099	..	4	25	10	249	2	85	133	161	75	40	24	13	50	889		
3,750	..	3	12	7	231	1	84	81	107	44	45	22	22	57	728		
3,750 and above	..	3	20	16	261	3	201	88	117	63	84	38	87	170	1,171		
All income ranges	..	802	548	591	1,661	36	544	686	787	358	117	120	144	506	7,126		

Note: The retired households not shown separately in the table are distributed as follows:

2 adults, 1 child (8); 2 adults, 2 children (1); 2 adults, 4 children (1); 3 adults, 1 child (3); 3 adults, 2 children (2); 4 adults (2); others (3).
1 adult and 2 adult retired households in the lowest range of income include 446 and 253 pensioner households respectively, in addition a 1 pensioner household occurs in range £461-557 and a 2 pensioner household in range £381-461.

**Distribution of households co-operating in the Family Expenditure Survey
by range of income after direct taxes and benefits
1973**

Range of income after direct taxes and benefits £ per year	Number														
	1 adult		2 adults		3 adults		2 adults 1 child	2 adults 2 children	2 adults 3 children	2 adults 4 children	3 adults 1 child	3 adults 2 children	4 adults	Others	All households
	retired	non-retired	retired	non-retired	retired	non-retired	retired	non-retired	retired	non-retired	retired	non-retired			
At least															
Less than															
381	11	3	1	3	—	—	—	—	—	—	—	—	—	—	8
461	80	7	—	—	—	—	—	—	—	—	—	—	—	—	19
557	330	15	—	—	—	—	—	—	—	—	—	—	—	—	96
674	196	24	42	11	1	—	—	—	—	—	—	—	—	4	360
816	80	62	127	16	—	—	—	—	—	—	—	—	—	5	268
987	36	88	172	69	—	—	—	—	—	—	—	—	—	16	306
1,194	24	98	121	161	4	1	—	—	—	—	—	—	—	19	390
1,446	17	84	63	237	10	6	1	—	—	—	—	—	—	28	485
1,749	13	52	33	280	8	42	10	17	44	10	5	—	—	19	579
2,116														21	765
2,561	8	44	20	317	2	92	2	169	181	68	23	10	5	27	983
3,099	3	14	18	264	4	117	4	140	189	100	52	20	21	50	1,019
3,750	2	5	11	166	3	122	3	78	128	75	62	31	27	84	824
3,750 and above	2	10	12	136	4	147	4	55	96	71	80	55	90	233	1,024
All income ranges...	802	548	591	1,661	36	544	36	686	787	358	226	120	144	506	7,126

**Distribution of households co-operating in the Family Expenditure Survey
by range of income after all taxes and benefits
1973**

At least		1 adult		2 adults		3 adults		2 adults 1 child	2 adults 2 children	2 adults 3 children	2 adults 4 children	3 adults 1 child	3 adults 2 children	4 adults	Others	Number
		retired	non-retired	retired	non-retired	retired	non-retired									
..	Less than	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
381	381	15	16	2	8	1	—	2	1	—	—	—	—	—	—	45
461	461	48	7	1	1	—	—	2	1	—	—	—	—	—	1	61
557	557	149	24	2	7	—	—	6	—	—	—	—	—	—	4	192
674	674	226	35	18	13	—	—	2	1	—	—	—	—	—	2	297
816	816	162	72	67	14	—	—	2	—	1	—	—	—	—	9	327
816	987	102	89	147	74	—	3	10	7	—	—	—	—	—	14	446
987	1,194	45	84	150	148	4	6	24	20	1	—	1	—	2	27	512
1,194	1,446	19	91	88	260	7	21	75	53	7	3	2	—	—	22	648
1,446	1,749	17	56	47	248	7	44	119	108	29	3	9	2	1	22	712
1,749	2,116	8	33	29	294	5	81	157	158	51	19	19	13	6	27	900
2,116	2,561	7	24	18	274	6	116	131	188	89	22	49	17	18	48	1,007
2,561	3,099	2	6	8	155	2	116	88	130	93	23	58	24	30	75	810
3,099	3,750	1	5	8	78	2	77	40	75	46	30	41	38	27	102	570
3,750 and above	..	1	6	6	87	2	80	28	45	41	17	47	26	60	153	599
All income ranges	..	802	548	591	1,661	36	544	686	787	358	117	226	120	144	506	7,126

CHART 1 Part I

Average taxes paid and benefits received by non-retired households in different income ranges — 1973

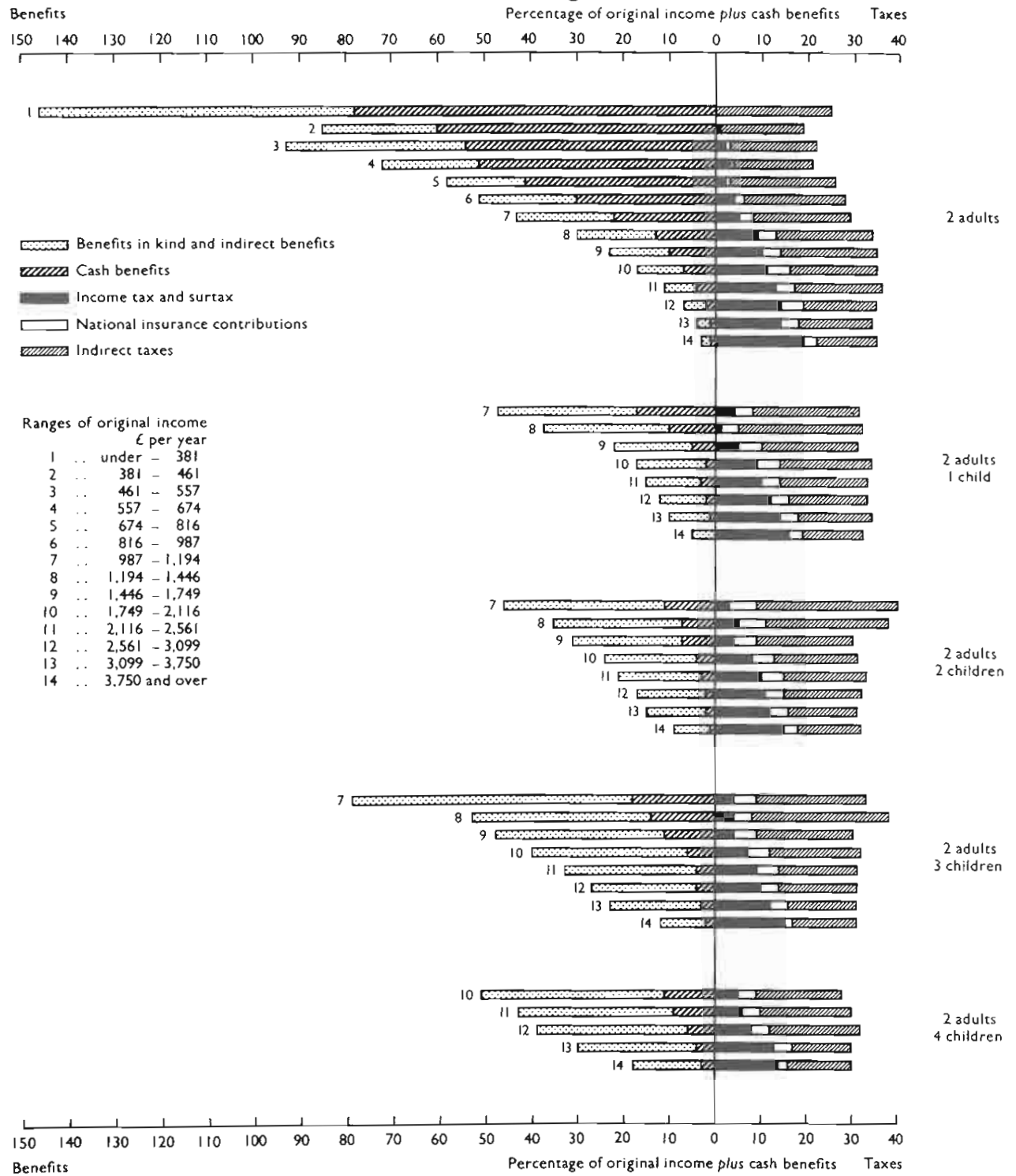


CHART 1 Part 2

Average taxes paid and benefits received by retired and non-retired households in different income ranges — 1973

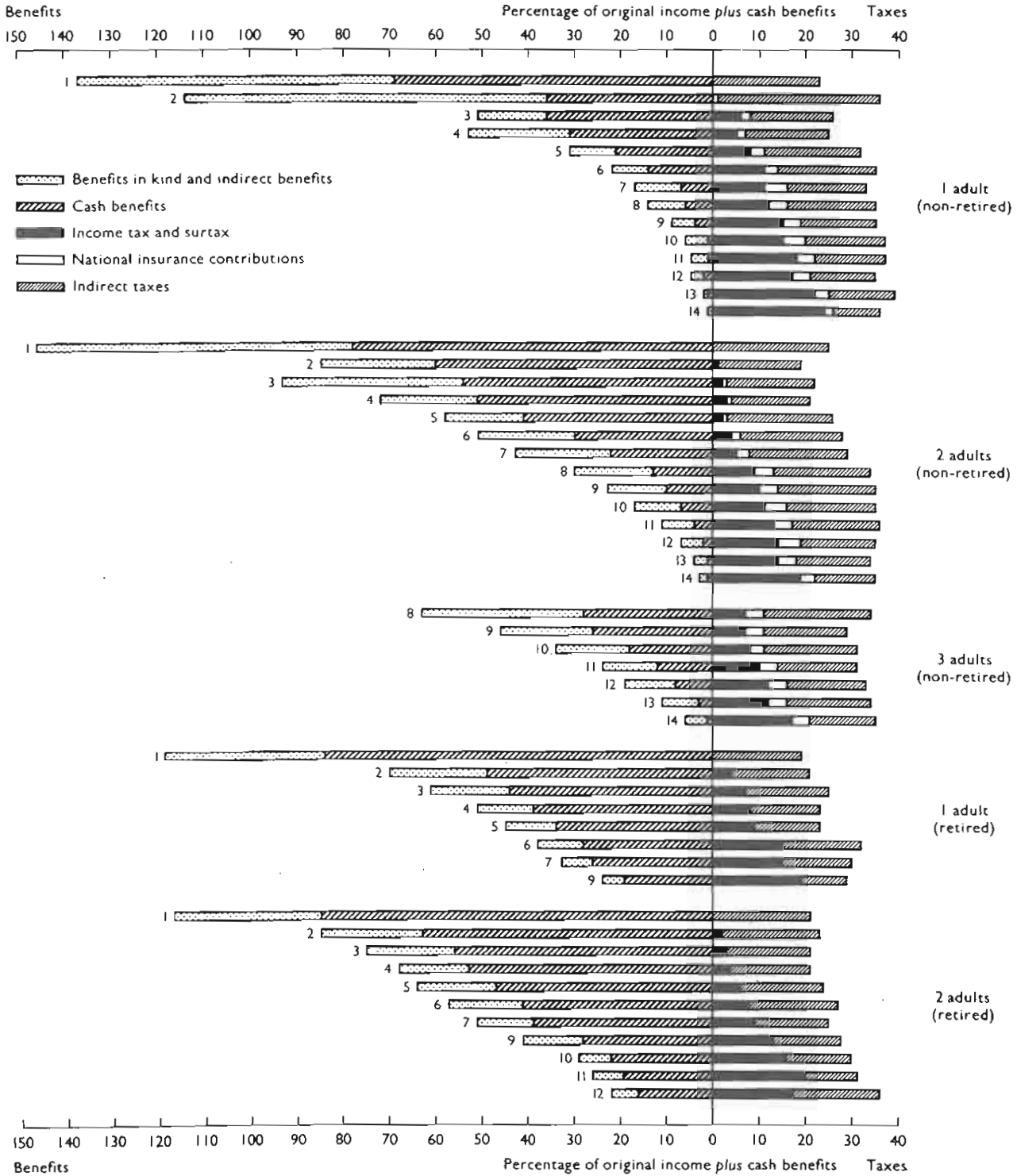
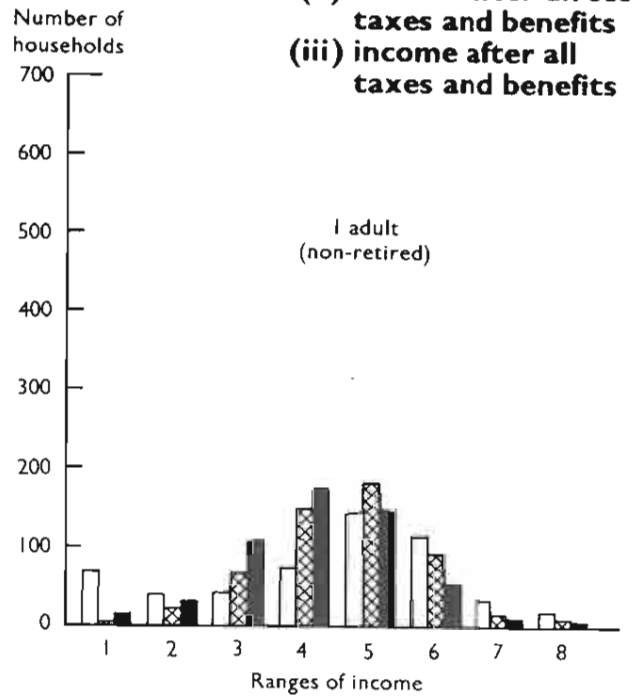
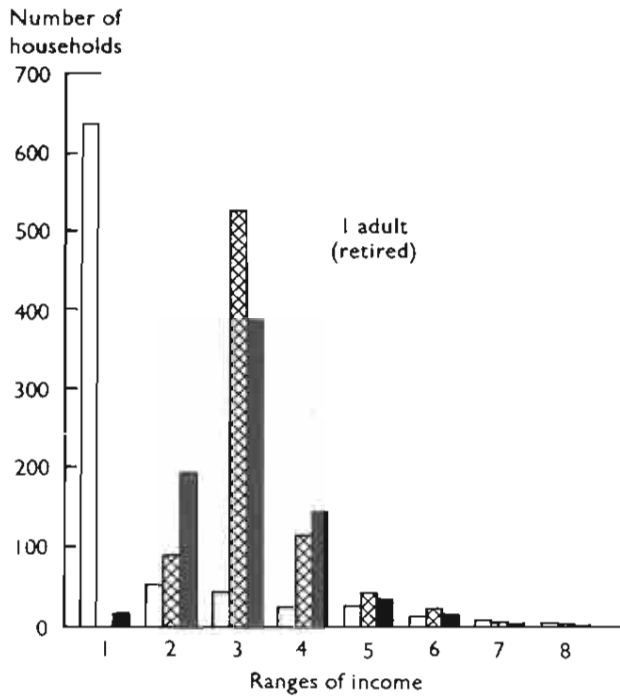


CHART 2 Part I

Distributions of retired and non-retired households classified by (i) original income (ii) income after direct taxes and benefits (iii) income after all taxes and benefits 1973



Ranges of income £ per year		
1 ..	under 381	□ Original income
2 ..	381- 557	▣ Income after direct taxes and benefits
3 ..	557- 816	■ Income after all taxes and benefits
4 ..	816-1,194	
5 ..	1,194-1,749	
6 ..	1,749-2,561	
7 ..	2,561-3,750	
8 ..	3,750 and over	

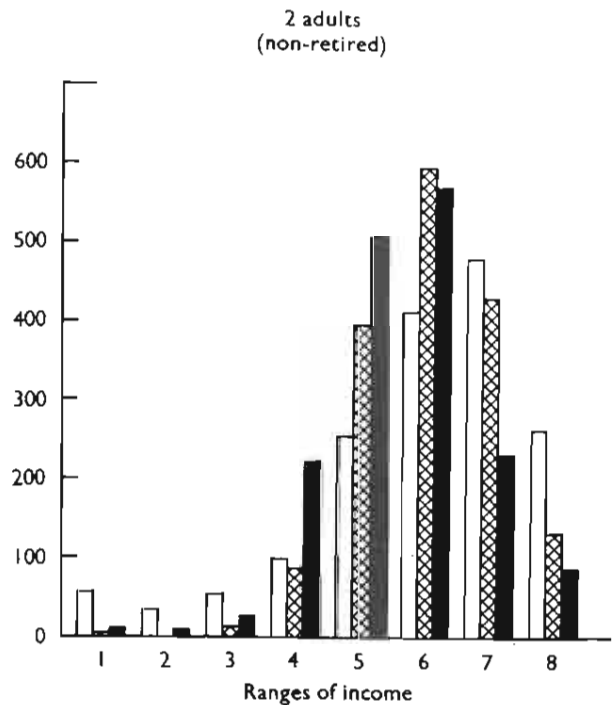
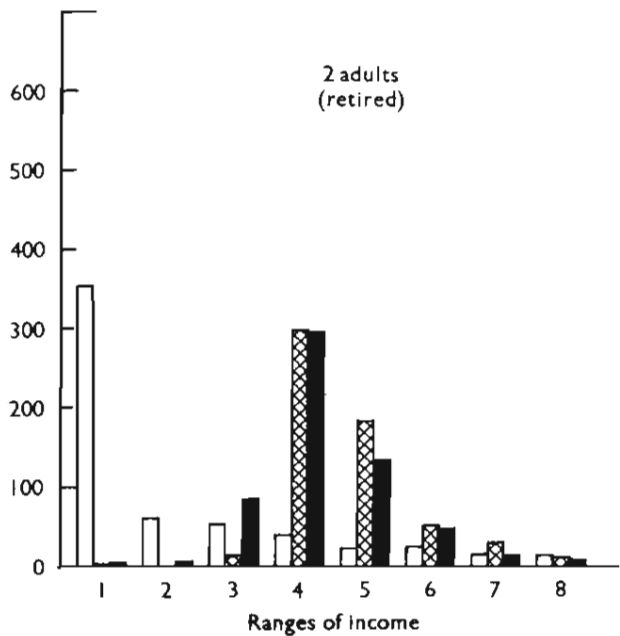
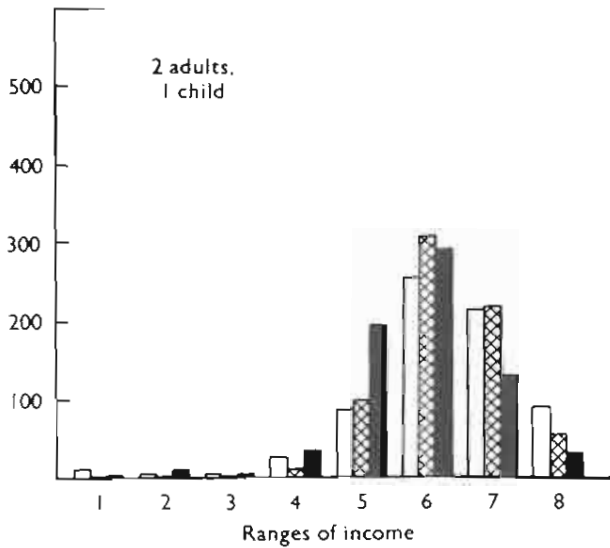


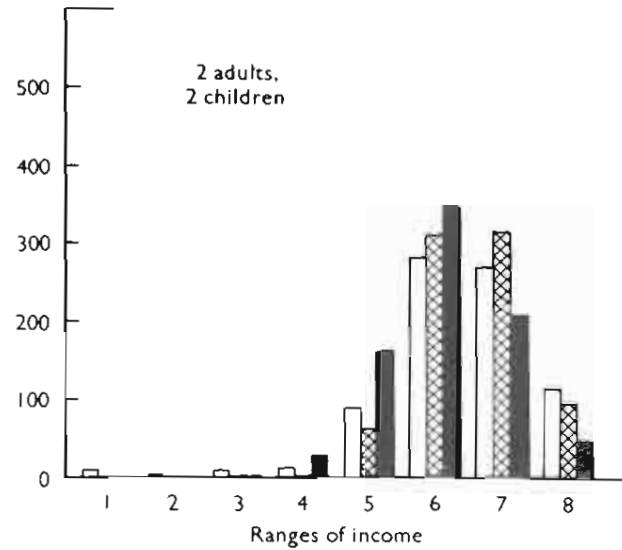
CHART 2 Part 2

Distributions of retired and non-retired households classified by (i) original income (ii) income after direct taxes and benefits (iii) income after all taxes and benefits 1973

Number of households

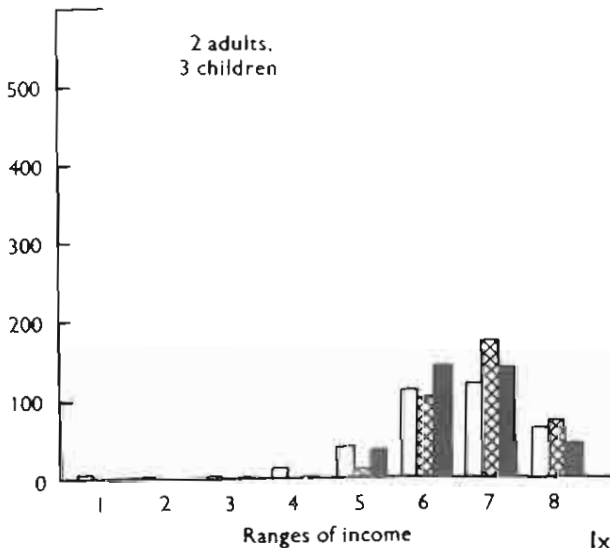


Number of households



Ranges of income	£ per year
1	under 381
2	381- 557
3	557- 816
4	816-1,194
5	1,194-1,749
6	1,749-2,561
7	2,561-3,750
8	3,750 and over

□	Original income
▣	Income after direct taxes and benefits
■	Income after all taxes and benefits



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