



2008 CEDA/ATRF Tax Policy Directions Forum

March 2008

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February 2008

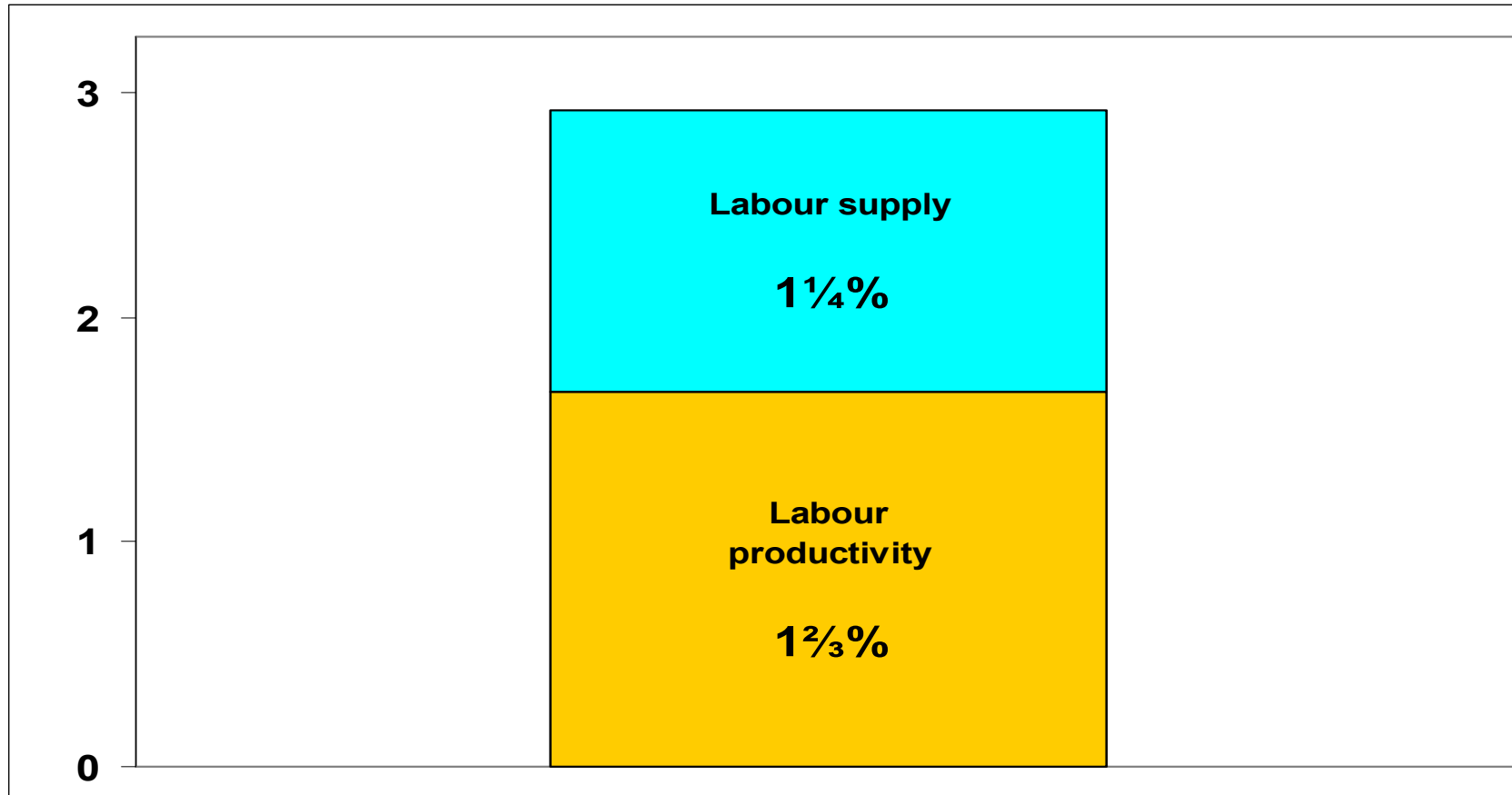


How **Fast** Can Australia Grow? III

 AUSTRALIAN INDUSTRY GROUP



How Fast Can Australia Grow? Mk III



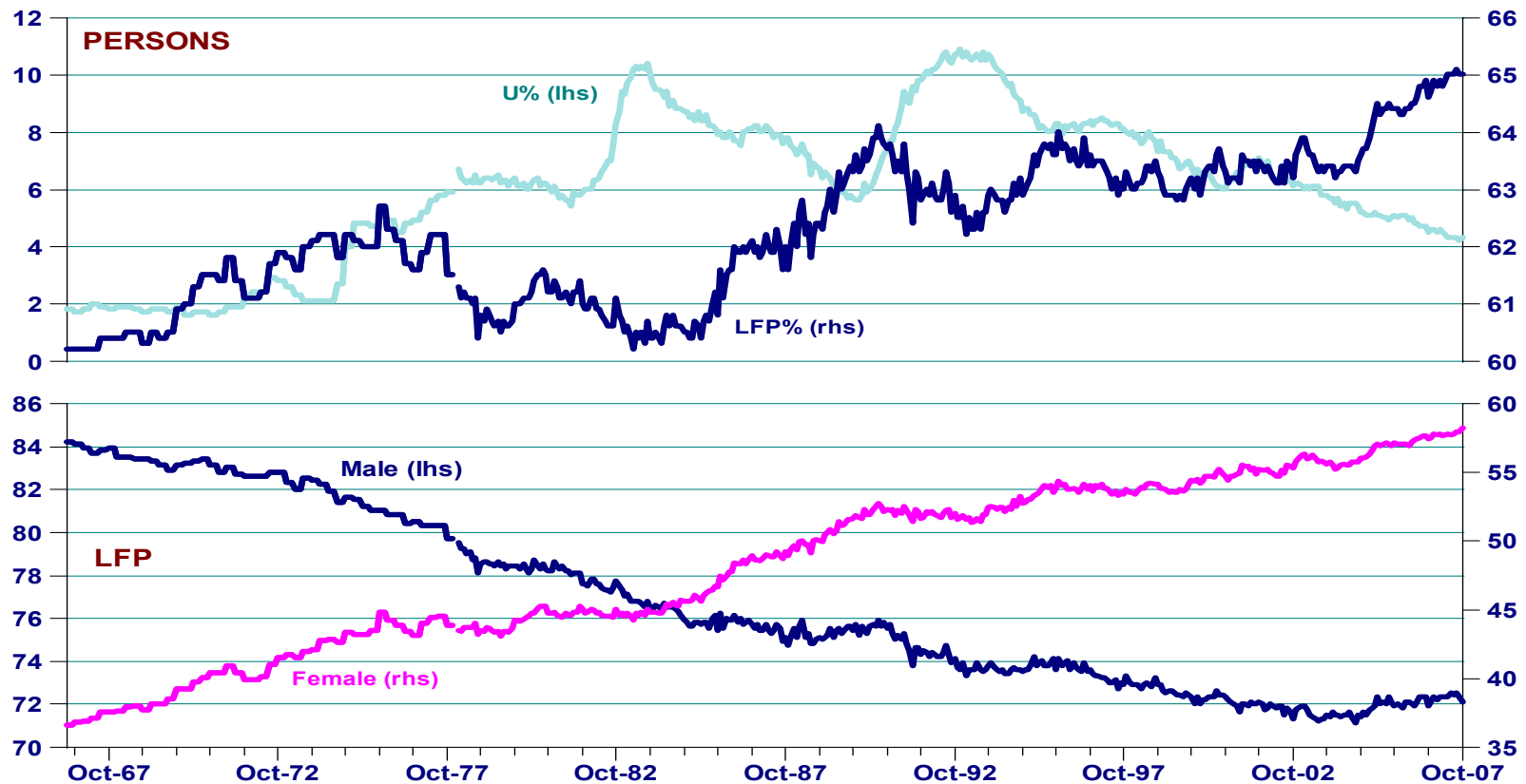
Labour supply prospects to 2017

(in absence of policy changes)

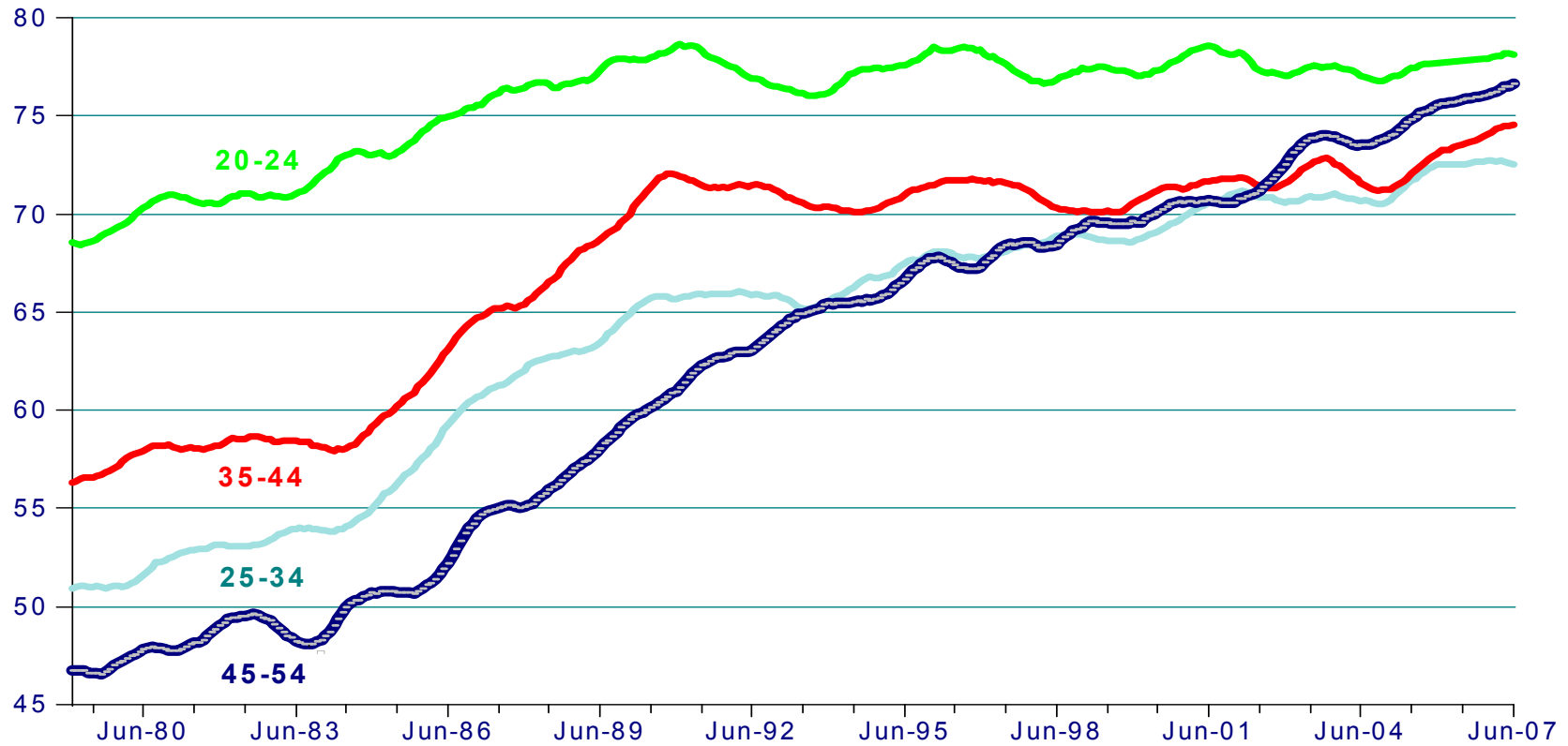
- No growth in overall LFP (% of population aged over 16)
 - Ageing
 - Limited further gains from female LFP
 - Rising among over 55s
- Lower average hours of work
- Continued levels of net migration
- *Further inroads into unemployment?*



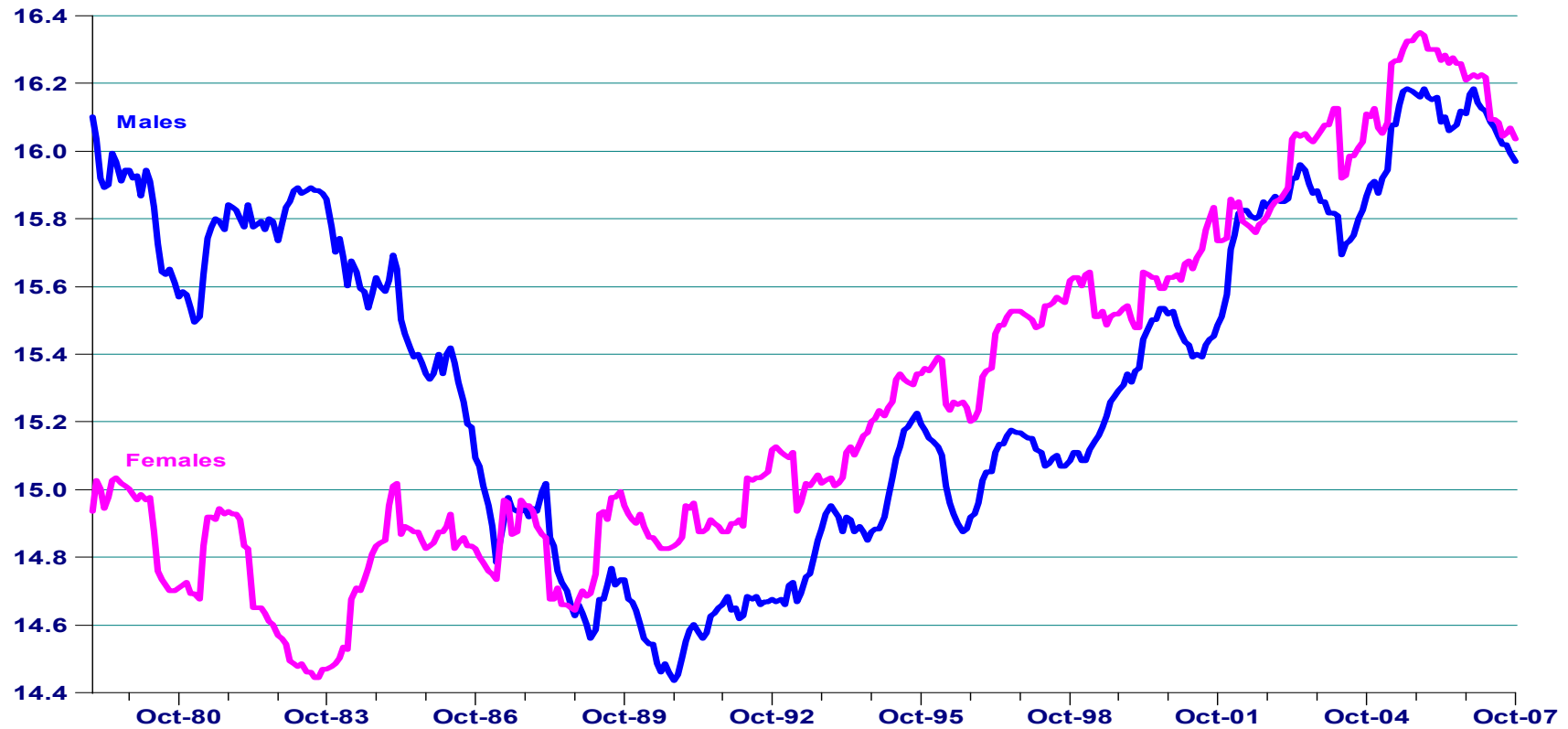
Participation & Unemployment



Female Prime Age Participation



Part-time work week



Business

- Generally greater emphasis on top end marginal tax rate tax cuts/threshold changes
- BCTR – high emtrs in the context of ANTS
 - rates of FTB withdrawal
 - GST compensating adjustments
- Ai Group
 - shifting the 30% threshold upwards
 - raising the LITO phase-out threshold
 - *steepening* the LITO phase out taper rate





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