

# National Institute Economic Review

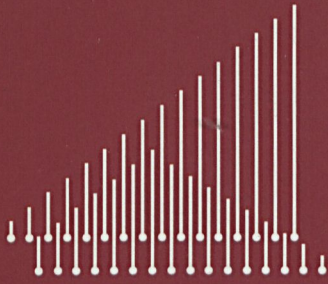
Journal of the National Institute of Economic and Social Research

No.192 April 2005



ISSN 0027-9501





[www.niesr.ac.uk](http://www.niesr.ac.uk)

## Discussion Papers

All National Institute discussion papers are now available on our website [www.niesr.ac.uk](http://www.niesr.ac.uk)

No. 253.

Evaluating, comparing and combining density forecasts using the KLIC with an application to the Bank of England and NIESR 'fan' charts of inflation  
by James Mitchell and Stephen G. Hall

No. 254.

Simulating cohort earnings for Australia  
by Justin van de Ven

No. 255.

Taxation and redistribution in Australia and the UK – evidence from microsimulation analyses  
by Justin van de Ven

 SAGE Publications

[www.sagepublications.com](http://www.sagepublications.com)

<https://doi.org/10.1017/S0027950100010954> Published online by Cambridge University Press



0027-9501(200504)192:1-8



## National Institute Economic Review

### Editor

M.R. Weale, Director, NIESR

### Editorial Board

R.J. Barrell  
G.S. Clisham  
D. Holland  
G. Mason  
P. Meadows  
H. Metcalf  
S.J. Prais  
R. Riley

### Council of Management

Lord Burns (President)  
Professor Stephen Nickell (Chairman)  
Nicholas Barber  
Professor C. Bean  
Colette Bowe  
Professor W. Buiter  
Sir Brian Corby  
Bronwyn Curtis  
Professor C. Goodhart  
H.H. Liesner  
Sir Peter Middleton  
Sir Nicholas Monck  
Sir Michael Scholar  
A. Turner  
Dr S. Wadhvani  
M.R. Weale (Director)

In 2005 National Institute Economic Review [ISSN: 0027-9501] is published in January, April, July and October by SAGE Publications (London, Thousand Oaks, CA and New Delhi).

Annual subscription: full rate (including electronic version), £249/US\$423; individual rate, £98/US\$167; secondary school/teacher/student, £26/US\$43. Single issue rates: full rate, £66/US\$112; individual, £32/US\$54.

Apply to [subscriptions@sagepub.co.uk](mailto:subscriptions@sagepub.co.uk). Full rate subscriptions include the right for members of the subscribing institution to access the electronic content of the journal (except the Statistical Appendix) at no extra charge from SAGE. The content can be accessed online through a number of electronic journal intermediaries, who may charge for access. Full details are available from [www.sagepub.co.uk](http://www.sagepub.co.uk) or from SAGE Publications Ltd, 1 Oliver's Yard, 55 City Road, London EC1Y 1SP. Tel + 44 (0)20 7324 8500; Fax + 44 (0)20 7324 8600 (or in North America from SAGE Publication, 2455 Teller Road, Thousand Oaks, CA 91320, USA).

### Aims and Scope

The *Review* is the quarterly publication of the National Institute of Economic and Social Research – one of Britain's oldest and most prestigious independent research organisations. The Institute's objective is to promote, through quantitative research, a deeper understanding of the interaction of economic and social forces that affect people's lives so that they may be improved. It has no political affiliation, and receives no core funding from government. Its research programme is organised under the headings of Economic Modelling and Analysis; Productivity; Education and Training and the International Economy.

Copyright © National Institute of Economic and Social Research, 2005. Apart from fair dealing for the purposes of research or private study, or criticism or review, and only permitted under the Copyright, Designs and Patents Act 1988, this publication may only be reproduced, stored or transmitted, in any form or by any means, with the prior permission of the Publishers, or in the case of reprographic reproduction, in accordance with the terms or licences issued by the Copyright Licensing Agency. Inquiries concerning reproduction outside those terms should be sent to the publishers at the above mentioned address. Periodicals postage rate is pending at Rahway, NJ. POSTMASTER. Notification of any change of address should be sent to: National Institute Economic Review, c/o Mercury Airfreight International Ltd, 365 Blair Road, Avenel, New Jersey 07001, USA.

The *Review* welcomes the offer of high quality articles describing findings of social or economic research. Articles should normally comprise 4–10,000 words, excluding tables. All articles are externally refereed, but the *Review* is able to organise quick publication in appropriate cases. Full notes for contributors are available from Fran Robinson (email: [f.robinson@niesr.ac.uk](mailto:f.robinson@niesr.ac.uk)). website: <http://www.niesr.ac.uk>. Articles intended for publication should be sent to National Institute Economic Review, 2 Dean Trench Street, London SW1P 3HE, or by e-mail to Fran Robinson, email: [f.robinson@niesr.ac.uk](mailto:f.robinson@niesr.ac.uk).

The *Review* is abstracted or indexed in Business Periodicals Index, CD-ROM International Bibliography of Periodical Literature in the Humanities and Social Sciences, EconLit, Emerald Management Reviews, IBZ: International Bibliography of Periodical Literature in the Humanities and Social Sciences, Inspec, Journal of Economic Literature (and JEL on CD), Linguistics and Language Behavior Abstracts, Online – International Bibliography of Periodical Literature in the Humanities and Social Sciences, Social Services Abstracts, Sociological Abstracts, World Banking Abstracts, and Worldwide Political Science Abstracts.

Printed by HenDi Systems, London. ISSN: 0027-9501