

AN ECONOMY FOR THE 1%

WEALTH & INCOME STATISTICS FOR AUSTRALIA

Oxfam Australia | January 2016



OXFAM
Australia

Oxfam's new report, *An Economy for the 1%*, highlights how global economic inequality continues to rise, with just 62 wealthy individuals now holding the same amount of wealth as the poorest half of the global population (3.6 billion people). This fact sheet shows how some of the global inequality statistics are reflected in Australia.

WEALTH INEQUALITYⁱ

Of all the additional wealth accrued by Australians since 2000 (\$4724 billion US), the richest 10% of Australians captured more than half (\$2435.51 billion US), while the poorest 10% of Australians captured so little of this extra wealth that their share is almost 0% (\$9.48 billion US).

The latest global wealth data also shows that:

- The richest 10% of Australians owns more wealth than all other Australians combined (the other 90% of Australians)
- The richest 1% of Australians owns more wealth than the poorest 60% of Australians. When Oxfam Australia last reported on these figures (in 2014), the richest 1% owned about the same amount of wealth as the poorest 60% of Australians.

- Australia's richest person owns the same amount of wealth as the poorest 10% of Australians (US 12.3 billion).

INCOME INEQUALITYⁱⁱ

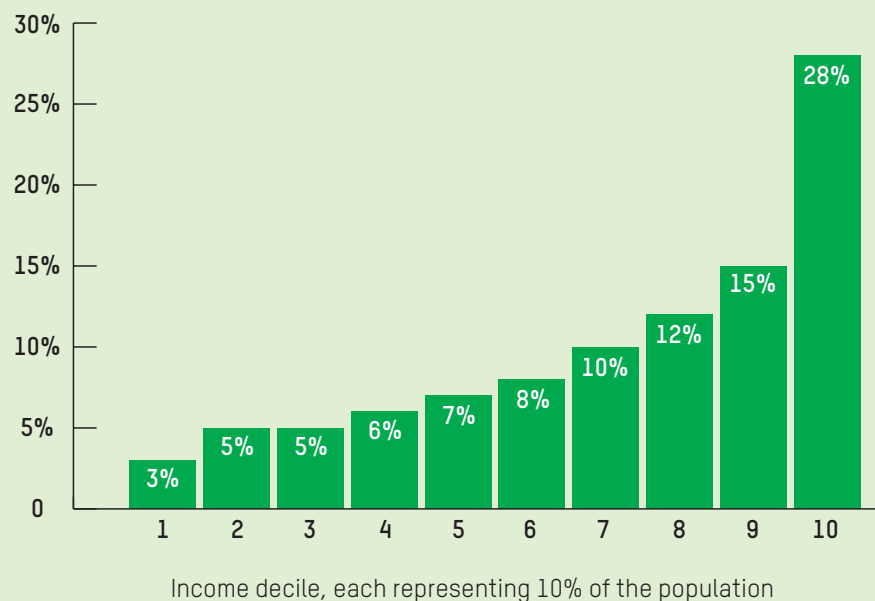
In this report, Oxfam has also examined income inequality for the first time, with a dataset that ranges from 1988-2011 (all statistics below are from that time period). Here's how these statistics break down for Australia:

From 1988-2011, Australia experienced growth in incomes of around \$US (2005 PPP) 180 billion. This growth has unfortunately been dramatically unequal.

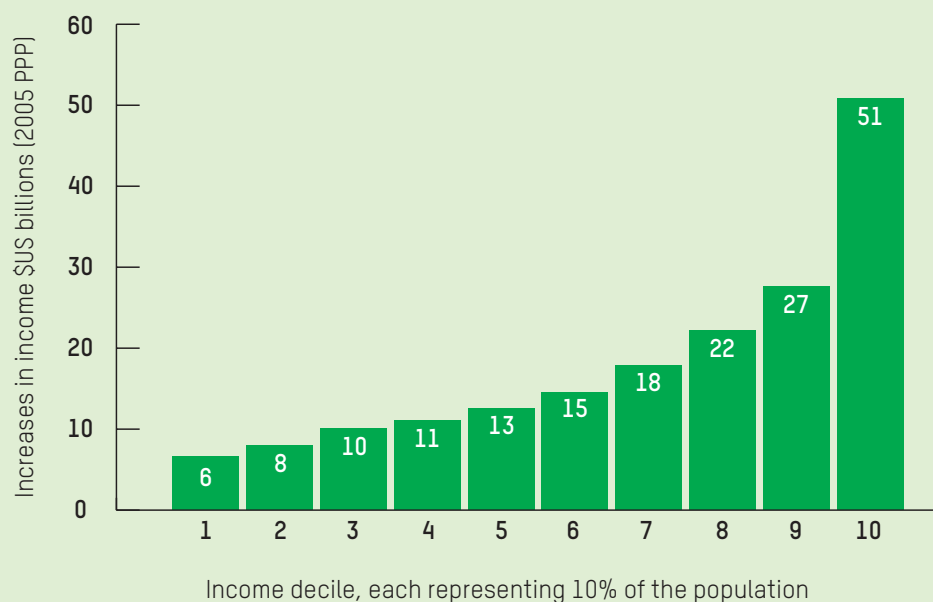
The income growth captured by the richest 10% of Australians has dwarfed that experienced by the rest of Australia. They captured more income growth than the poorest half of Australians combined (28% share of national income growth for the richest 10% versus 26.2% share of national income growth for the poorest 50% of Australians).

While the richest 10% of Australians enjoyed almost an 30% share of the total national growth in incomes between 1988-2011, the poorest 10% received only a 3 per cent share of this growth.

SHARE OF INCOME GROWTH THAT ACCRUED TO EACH DECILE 1988-2011



ABSOLUTE INCOME GROWTH THAT ACCRUED TO EACH DECILE 1988-2011



ⁱ Data drawn from the Credit Suisse Global Wealth Report and Databook, 2015, as well as the corresponding Forbes data on the wealthiest individuals. See: <https://www.credit-suisse.com/au/en/about-us/research/research-institute/publications.html>

ⁱⁱ Data from Lakner-Milanovic (2013) World Panel Income Distribution (LM-WPID) database. Retrieved 29 October, 2015 from: <https://www.gc.cuny.edu/Page-Elements/Academics-Research-Centers-Initiatives/Centers-and-Institutes/Luxembourg-Income-Study-Center/Branko-Milanovic,-Senior-Scholar/Datasets>

Created for Lakner, C., & Milanovic, B. (2013). Global income distribution: From the fall of the Berlin Wall to the Great Recession. World Bank Policy Research Working Paper, (6719). <https://openknowledge.worldbank.org/handle/10986/16935>

Data for 2011 provided through personal correspondence with B. Milanovic. September, 2015. More information about general methodology available at: <https://www.gc.cuny.edu/Page-Elements/Academics-Research-Centers-Initiatives/Centers-and-Institutes/Luxembourg-Income-Study-Center/Branko-Milanovic,-Senior-Scholar/Datasets>