

MEDIA RELEASE

Inequality in Australia: Who is affected and why?

22 December 2020

Claire Victory, National President of the St Vincent de Paul Society in Australia has welcomed the release of *Inequality in Australia 2020: Part 2, Who is Affected and Why* published by the Australian Council of Social Service in partnership with the University of NSW.

‘This Report presents the picture of income and wealth inequality using the latest data available in 2017-18. It provides insight into the reality of inequality prior to the dramatic events of 2019 and 2020 with both national disasters and then the pandemic,’ Ms Victory said.

‘It provides a base-line of data against which to assess the impacts that both these major events, and government policies introduced in response to these events, have had on the living standards of different groups in the community,’ she said.

The report found:

Single people and single parents on JobSeeker have been struggling, with over half in the lowest 10% of incomes nationally. Income inequality is significant, with the highest 20% of households (with an average weekly income after tax of \$4,166) having almost six times the income of the lowest 20% (with \$753 per week).

The highest 10% of households by wealth owns almost half (46%) of all household wealth, followed by the next 30% the middle class who are comfortably off (with 38%), leaving the lowest 60% - who are younger and poorer - with just 16% of all wealth.

Wealth in the form of shares and other financial investments and investment property is especially skewed towards the top 10%, who hold two thirds of these assets, including investment property averaging \$802,000 in value and shares, business and financial investments worth an average of \$1,441,000. This is contrary to the political discourse that it is middle Australia which engages in the purchase of investment properties.

The Retirement Income Review revealed that the average value of inheritances received by people in the top 20% by wealth was around \$180,000 - twice that of the middle 20% and four times the lowest 20%. Overall superannuation death benefits are projected to rise from \$17 billion in 2019 to \$130 billion in 2059, in large part due to lax draw-down requirements and excessively generous exemption from tax of the earnings of super funds after a member retires.

‘This research informs our advocacy work on behalf of the people we assist,’ Ms Victory said.

The National Council of the St Vincent de Paul Society in Australia is a proud sponsor of this important work.

A copy of the report is accessible [here](#).

The St Vincent de Paul Society in Australia consists of 60,000 members and volunteers who operate on the ground through over 1,000 groups located in local communities across the country.