

**Senate Economics Legislation Committee**  
**ANSWERS TO QUESTIONS ON NOTICE**  
**Treasury Portfolio**  
Budget Estimates  
2017 - 2018

**Division/Agency:** Social Policy Division  
**Question No:** 236  
**Topic:** Inequality  
**Reference:** Written  
**Senator:** Whish-Wilson, Peter

**Question:**

The OECD's March 2017 Economic Survey of Australia stated:

*...households in upper income brackets have benefited disproportionately from Australia's long period of economic growth. Real incomes for the top quintile of households grew by more than 40% between 2004 and 2014 while those for the lowest quintile only grew by about 25%.*

1. Is this part of a longer term trend?
2. What impact is growing inequality having on Australia's economic performance?
3. How is growing inequality being felt across demographics, and in particular is it impacting more upon the young or the old?
4. What measures in this budget address inequality?

**Answer:**

1. The Government Response to the Senate Community Affairs References Committee inquiry into the extent of income inequality in Australia provides an overview of recent data on income inequality. The response was publically released on 21 December 2016 and can be found on the following website:  
[http://www.aph.gov.au/Parliamentary\\_Business/Committees/Senate/Community\\_Affairs/Income\\_Inequality/Government\\_Response](http://www.aph.gov.au/Parliamentary_Business/Committees/Senate/Community_Affairs/Income_Inequality/Government_Response).
2. Please refer to part 1 above.
3. Please refer to part 1 above.
4. The Government has taken steps in the 2017-18 Budget to encourage greater workforce participation and ensure the welfare system is targeted to those who need it most. More information on the Government's plan for stronger growth to create more and better paying jobs is available here: <http://budget.gov.au/2017-18/content/glossies/jobs-growth/html/>.