



# After Dinner Political Economy

Reflections on Australian political economy theory and issues

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## Appendix: Inequality Within Regional SA

The key ABS measures of inequality are fairly similar when adjusted for household size.

Equivalised Disposable Household Income, 2019-20		
	Adelaide	Rest of SA
Income Share: Bottom 40%	20.6	21.0
P90/P10 ratio	3.73	3.71
Gini coefficient	0.309	0.315

The income share is the sum of the income share of the lowest two income quintiles.

The P90/P10 ratio which refers to the ratio of income of high and low income households, specifically, high-income households at the top of the 90<sup>th</sup> percentile by comparison with those at the top of the 10<sup>th</sup> income percentile. When measured as gross rather than equivalised disposable income, there is more of a gap in the regional/Adelaide P90/P10 ratios. In the gross income data, the 90<sup>th</sup> percentile earned just over seven times as much as the 10<sup>th</sup> percentile in regional SA, but more than 8 times as much in Adelaide where there are a greater number of larger households (with multiple earners).

The Gini Coefficient, is a complex statistical measure where lower numbers represent more equal income shares (0 would be perfect equality, and 1 would be absolute inequality with one person receiving all income). See [previous post](#) for commentary on the limits of this indicator.