



Global Report on Income Inequality

 drishtiias.com/printpdf/global-report-on-income-inequality

International Labour Organisation in its **Labour Income Share and Distribution dataset** has revealed that top 10% earners in India made over 69% of the country's **labour income** in 2017, in contrast to 0.25% made by the bottom 10% earners.

Labour Income Share and Distribution dataset developed by ILO offers **two new indicators** for major trends in the world of work, at national, regional and global levels:

- One provides the first **internationally comparable figures** of the share of Gross Domestic Product that goes to workers rather than capital through wages and earnings.
- The second looks at how **labour income** is distributed.

Key Findings

- The share of **national income** going to workers is declining, from 53.7% in 2004 to 51.4% in 2017.
- Worldwide, the income share of the **middle 60% workers** grew to 30.2% in 2017 from 23.6% in 2004, while the share of the **richest 20% of workers** came down by 6.8 percentage points.
- Countries where top earners saw their share of national pay rise by at **least one percentage** point include Germany, Indonesia, Italy, Pakistan, the United Kingdom and the United States
- **Poorer countries** tend to have much higher levels of pay inequality, something that exacerbates the hardships of vulnerable populations.
 - In **Sub-Saharan Africa**, the **bottom 50%** of workers earn only 3.3% of labour income, compared to the **European Union**, where the same group receives 22.9% of the total income paid to workers.

Income Inequality in India

- **Pay inequality** has remained consistent in India since 2004, although it has reduced at the global workplace in the last 13 years.
- **ILO report** has found that between 2000 and 2017, income inequality rose **six times**.
- India's **richest 10%** own as much as 80.7% of the country's **total wealth**, while 90% own only **19.3% of its total wealth**