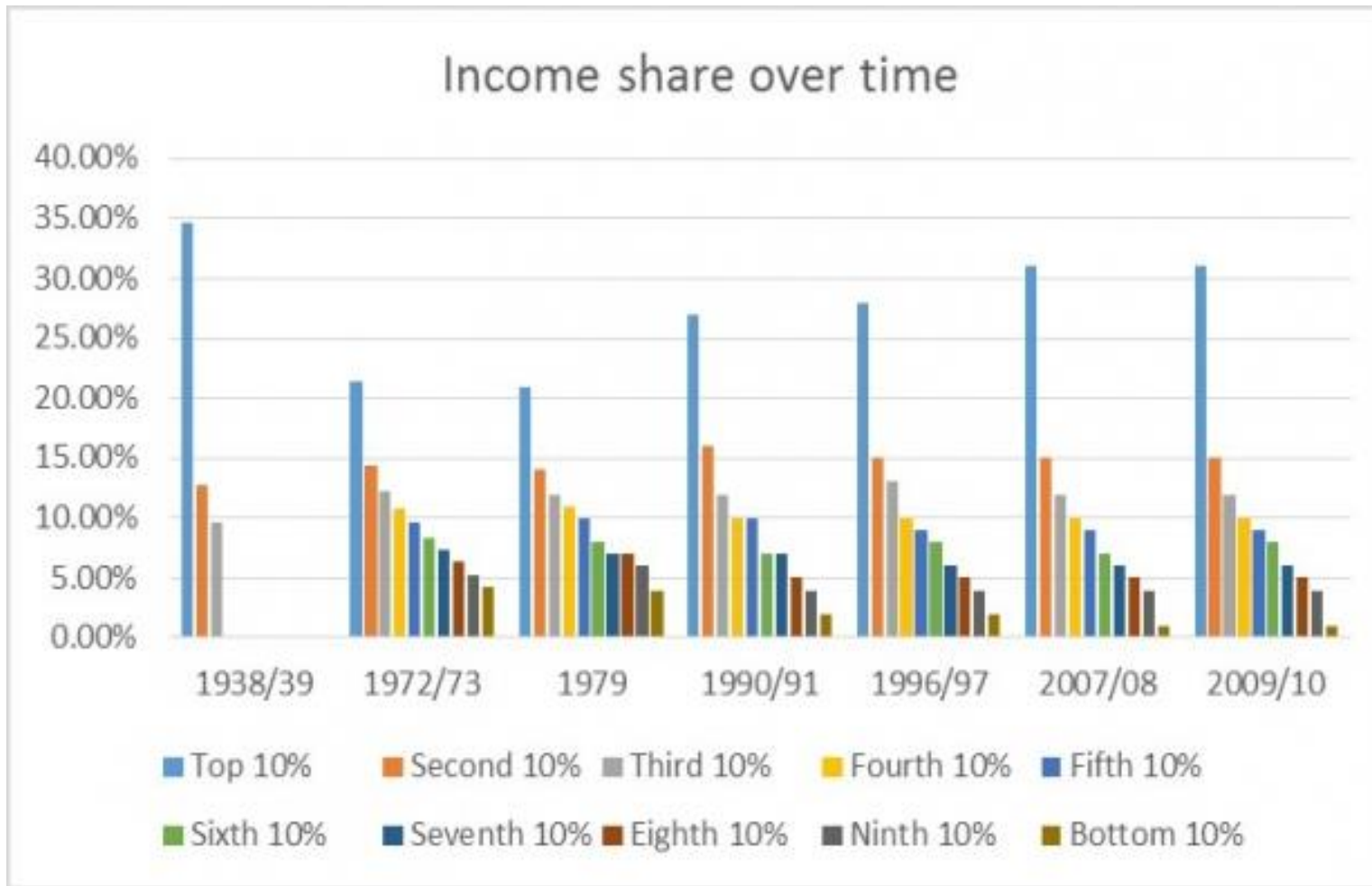


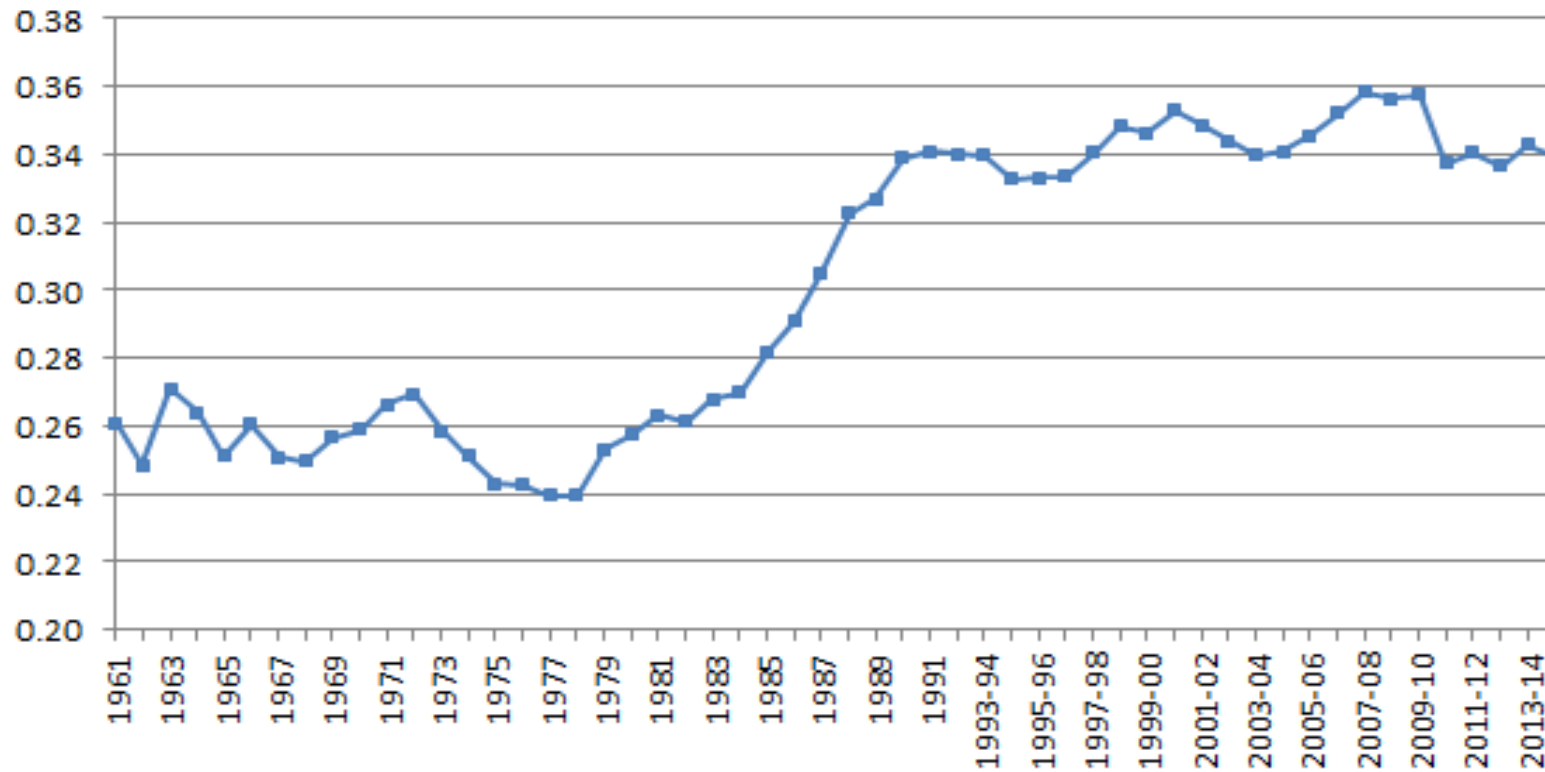
Thoughts on Inequality

Jonathan Cheshire



The UK became a much more equal nation during the post-war years¹. The data available shows that the share of income going to the top 10% of the population fell over the 40 years to 1979, from 34.6% in 1938 to 21% in 1979, while the share going to the bottom 10% rose slightly. Since 1979 this process of narrowing inequality has reversed sharply. As shown in the graph below, inequality rose considerably over the 1980s, reaching a peak in 1990.

Gini Coefficient 1961 - 2014/15



Inequality in Recent Years

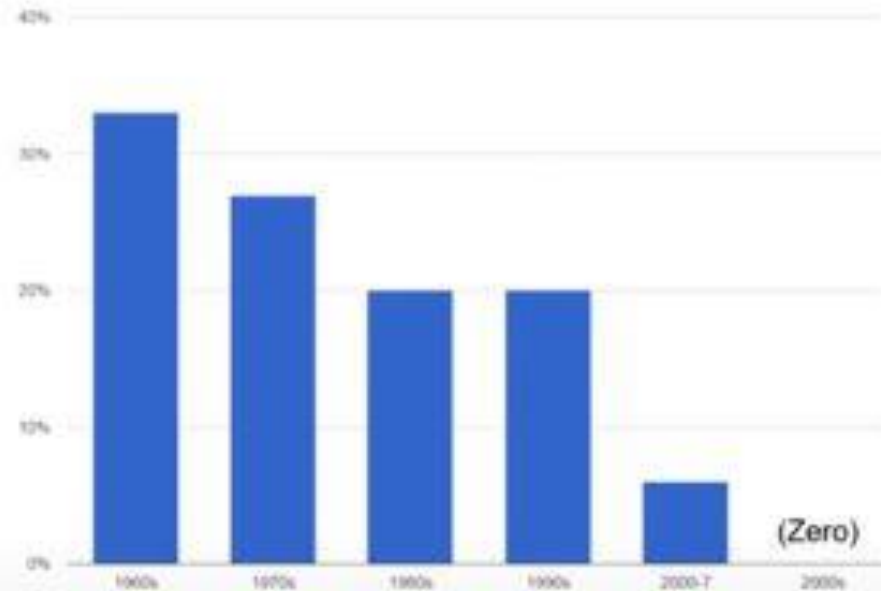
Since the early 1990s, changes in inequality have been less dramatic than the change from 1979 to 1991. After falling slightly over the early to mid-1990s, inequality, as shown by the Gini coefficient, reached a new peak of 0.358 in 2009–10. Inequality fell in 2010 and has stayed relatively level since.

Source - Equality Trust

Where's it going?

Martin Ford on the Rise of the Robots

U.S. Job Creation by Decade



Source: Bureau of Labor Statistics, St. Louis Federal Reserve

New industries not labor intensive



General Motors 1979

- 840,000 workers
- \$11 billion in earnings (2012 dollars)

Google 2012

- 38,000 workers (4.5% of GM)
- \$14 billion in earnings (20% > GM)



Martin Ford on the Rise of the Robots

White-collar Automation

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The New Bookkeeper Is a Robot

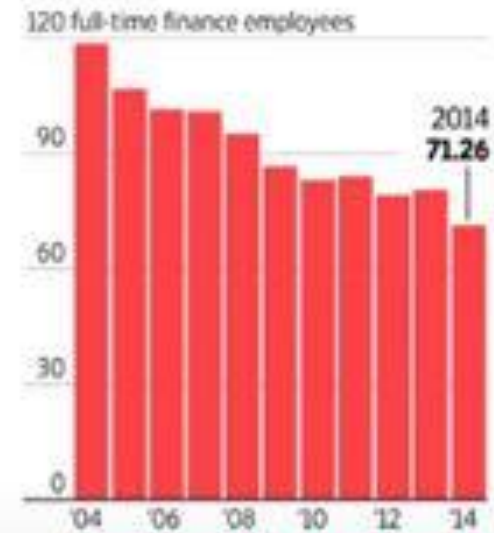
In corporate finance departments, software does tasks that once took armies of people



By WYNN MORGAN
Updated May 17, 2014 11:44 AM ET

Five years ago, 80 clerks and colleagues at First Energy Capital Ltd spent a combined 1,200 hours a week tracking and paying for within the flowmouth of goods, ranging from rusty bars to steel bars.

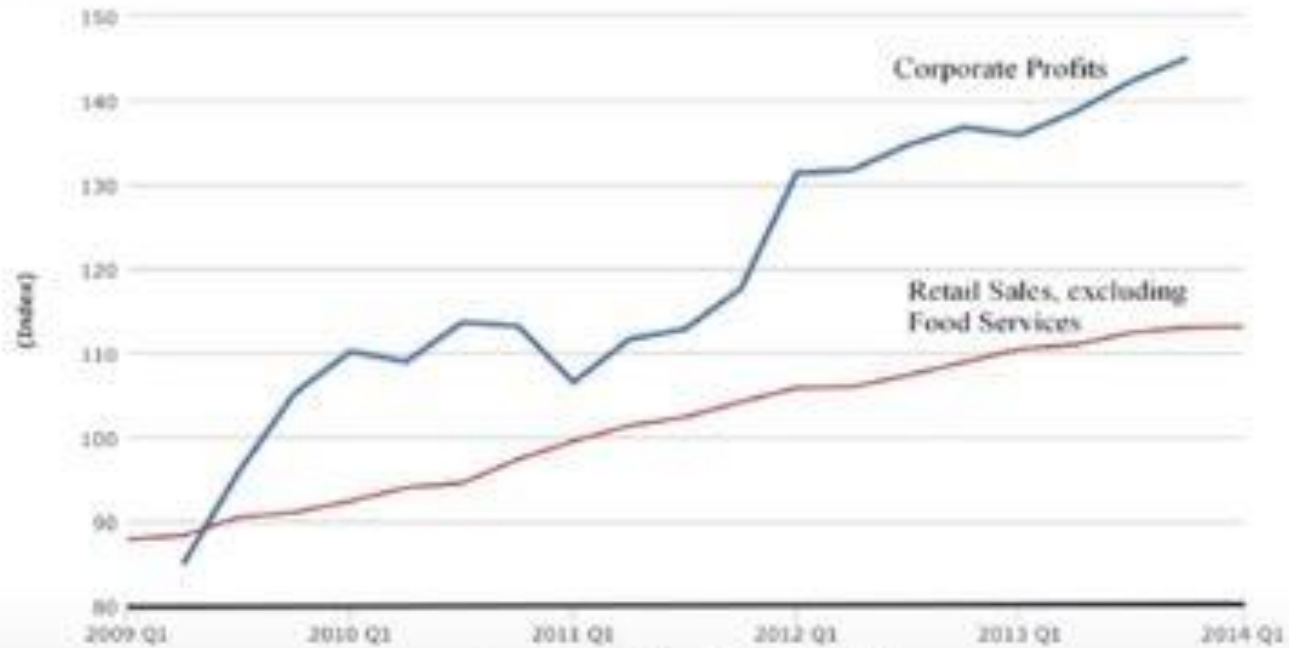
Median staffing in corporate finance departments per \$1 billion of revenue*



Source: Hackett Group, Wall Street Journal

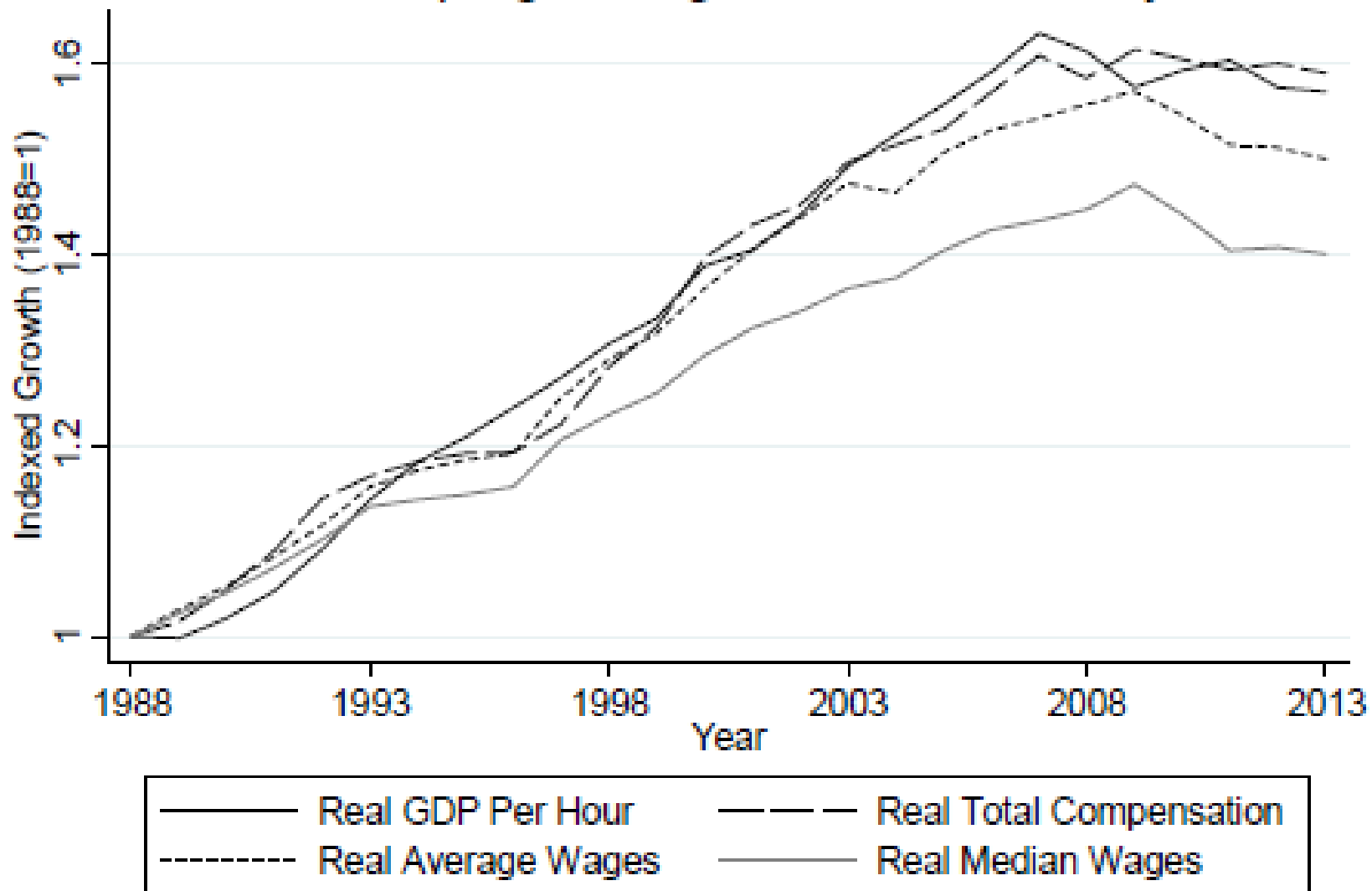
Martin Ford on the Rise of the Robots

Corporate Profits vs. Retail Sales



Source: St. Louis Federal Reserve

Decoupling of Wages From Productivity



What can we do?

Nationally

- National Living Wage
- Infrastructure projects
 - Housing
 - Transport
 - Training & education
- Basic (citizen's) income

Minutes Of Minimum -Wage Work To Buy A **BIG MAC**

Here's how many minutes a minimum-wage worker would have to work to earn enough money to buy a Big Mac burger in these 20 countries:



30 minutes or less **31 minutes to 2 hours** **More than 2 hours**

By Lisa Mahapatra
INTERNATIONAL BUSINESS TIMES

Source: ConvergEx Group report "Morning Markets Briefing, August 19, 2013"

What can we do?

Locally

- Housing
- Credit Unions
- Support for Involuntary self-employed
- Full report at: www.southamptonfairnesscommission.org

What can we do?

Locally

- And finally:
- The S. Hampshire Single Authority
 - What do we think?