

**Wealth Mobility in Australia:
Winners and Losers During the Economic Boom and Downturn**

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This paper uses the Household, Income and Labour Dynamics in Australia (HILDA) Survey to study wealth mobility in Australia between 2002 and 2010. HILDA collected comprehensive information of household assets and debts in wave 2, 6 and 10. This allows us to contrast short-term wealth mobility during economic boom (2002-2006) and downturn (2006-2010). Wealth mobility is examined with respect to two different household wealth measures, total net worth and disposable wealth (wealth excluding annuities and pre-retirement superannuation). We first use transition matrix of wealth quintiles to describe the patterns of movement of individuals' wealth ranking. Summary measures such as Kendall's Tau-b statistics, Shorrocks' Mobility Indices are also presented to provide comparable figures to international literature. We also compare overall wealth mobility with intra-cohort wealth mobility to investigate life-cycle effects. The second part of this paper is to explain the changes in individuals' wealth ranking using multivariate analyses. We also test whether the factors associate with movement are the same under different economic condition and whether those individuals moved up the wealth ranking during the boom time more likely to continue to move up the ladder during the downturn or fell back down.