THE COMMITMENT TO REDUCING INEQUALITY INDEX 2018

A global ranking of governments based on what they are doing to tackle the gap between rich and poor
WHAT IS THE CRI AND HOW WAS IT BUILT?

• Annual index and report, digital data tool (www.inequalityindex.org)
• 157 countries in the current CRI (aiming to increase, but some countries don’t publish enough data)
• Produced in partnership with Development Finance International
• More than 8,000 individual data points
• Based on inputs from officials of more than 60 countries on their latest spending, tax and labour policies; from 82 national and regional Oxfam offices; and the most recent global and regional databases
• Advice and peer review of methodology by policy experts of Commitment to Equity Institute, ILO, IMF, ITUC, OECD, World Bank, Tax Justice Network, UNESCO, UN Women
WHAT ARE THE OBJECTIVES OF THE CRI?

- Annual Oxfam publication
- Support monitoring of SDG 10
- Raise profile of fighting inequality
- Start race to the top between governments/ shame failure and celebrate success
- Start debate on solutions- inequality not inevitable.
- Provide evidence base to support country campaigning and advocacy
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A global ranking of governments based on what they are doing to tackle the gap between rich and poor
What is your country doing to fightinequality?

Take Action Tweet

OVERALL
The overall ranking combines all three core pillars on which the index is based: social spending, progressive taxation policies and labour rights.

Global | North America
Latin America and Caribbean | Middle East and North Africa
Europe & Central Asia | Sub-Saharan Africa
East Asia and Pacific | South Asia

Most committed
1 Denmark (Global Rank #1)
2 Germany (Global Rank #2)
3 Finland (Global Rank #3)
4 Austria (Global Rank #4)
5 Norway (Global Rank #5)
6 Belgium (Global Rank #6)
7 Sweden (Global Rank #7)
8 France (Global Rank #8)
9 Iceland (Global Rank #9)
10 Luxembourg (Global Rank #10)
Figure 1: The CRI 2018 pillars and indicators

**SPENDING ON HEALTH, EDUCATION AND SOCIAL PROTECTION**

1. **Social spending as % of total spending**
   - Education spending
   - Health spending
   - Social protection spending

2. **Incidence of spending on inequality (GINI coefficient)**
   - Education spend % GDP
   - Incidence coefficient
   - Health spend % GDP
   - Incidence coefficient
   - Social protection % GDP
   - Incidence coefficient

**PROGRESSIVITY OF TAX POLICY**

1. **Progressivity of tax structure**
   - Personal income tax minimum and maximum rates + thresholds
   - Corporate income tax rate
   - VAT rate, exemptions + thresholds

2. **Incidence of tax on inequality (GINI coefficient)**
   - VAT Revenue % GDP
   - CIT Revenue % GDP
   - PIT Revenue % GDP
   - Excise Revenue % GDP
   - Customs Revenue % GDP

3. **TAX COLLECTION**
   - Tax productivity: VAT, PIT and CIT revenue compared to rates and GDP or consumption
   - Tax effort compared with potential

4. **HARMFUL TAX PRACTICES**
   - Harmful tax practices
   - Anti-tax avoidance rules
   - Evidence of negative impact

**LABOUR RIGHTS AND MINIMUM WAGES**

1. **Workers and labour union rights**
   - Government efforts to protect workers in law and in practice

2. **Women’s legal rights at work**
   - Laws on equal pay for equal work
   - Laws against gender discrimination
   - Laws against rape
   - Laws against sexual harassment
   - Parental leave

3. **Minimum wage**
   - Minimum wage in local currency
   - Per capita GDP
### Table 9: Increases and reductions in personal income tax, 2017

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<thead>
<tr>
<th>Biggest Increases in Top Rate of Personal Income Tax</th>
<th>Biggest Decreases in Top Rate of Personal Income Tax</th>
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Oxfam señala a Nigeria, India y Síin como países con la mayor desigualdad económica

Oxfam, DFID urge a países a tomar medidas para reducir la desigualdad.

Inequality in bottom 15% - India ranks 157 out of 157 countries

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Nouvel indice inquietant d'Oxfam : la France de Macron en passe d’abandonner la lutte contre les inégalités?

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10.4. Adopt policies, especially fiscal, wage and social protection policies, and progressively achieve greater equality

- **Indicator 10.4.1:** Labour share of GDP, comprising wages and social protection transfers

CRI can augment indicator 10.4.1- giving data on the policies and spending of 157 countries to tackle inequality.

Not related to the CRI. Oxfam would also like to see the palma ratio / palma premium as an indicator for SDG 10. Comparing the bottom 40 % against the top 10 % instead of just against everyone.
Thank you

Questions and comments
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