

Subject/Title	Changes in the Consumption Inequality in Taiwan
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Abstract	<p>This study selected information from the Family Income and Expenditure Survey from 1980 to 2007 as empirical data. We decomposed the Gini coefficients and calculated the percentile distribution of the growth rates of household income and expenditure to identify the reasons for the decline in total consumption inequality since the mid-1990s. The results of this study are presented below. First, medical and rent expenses had an equalizing effect on total consumption inequality. The increasing consumption inequality share of medical and health expenses in Taiwan is related to an aging population and the implementation of National Health Insurance in 1995. Second, the decline in total consumption inequality since 1996 is not a positive phenomenon. Most households have experienced an economic decline since 1996. This lack of income growth has limited the growth of total consumption, leading to invariable household expenditure. Particularly, low-income households are spending a substantially greater portion of their income on medical and rent expenses although their income has had minimal growth.</p>
Keyword(s)	consumption inequality ; Decomposition of the Gini coefficient ; economic well-beings ; Taiwan