Australia’s total resources in mid-2015 were estimated to be worth $13.5 trillion, over eight times our GDP in 2014-15. After allowing for foreign liabilities of $3.0 trillion, our net assets were $10.5 trillion, or around $1.1 million per household. The land, natural resources and built environment dominate this balance sheet as the first chart shows, with just under a quarter made up of financial assets (15.4%), IP, equipment, inventories and household durables.

It is encouraging to note that our net foreign debt was less concerning, at a manageable $906 billion after allowing for our foreign assets of over $2.0 trillion.

Whilst purely academic, it is interesting to consider what a foreign country might pay for Australia, if only because countries – or parts of them – have been sold in the past. The USA paid $US 240.0 million (in today’s terms) for the Louisiana Purchase of 2.1 million square kilometres (28.0% of Australia’s land mass) from France in 1803; and a similar amount for Alaska (20.0% of Australia’s land mass) from Russia in 1867. Those acquisitions, nearly half of Australia’s land mass, were acquired for under $US 500 million in today’s terms: a steal, as they say. Australia wouldn’t go for that cheap; try $50 trillion, so each family could retire with over $5 million each.
But don’t float the idea, because any of several nations could afford that, and would come running with a chequebook – with the risk that a lot of Australians might say yes!

The assets and net worth of households follow a similar break-up to the nation, as seen in the second chart.

However, in this case the financial assets are more significant; even more so when the net assets, or net worth of households, are broken up – as the third chart below shows.
Indeed it is the financial assets that are in the ascendancy as revealed in the fourth chart below. The dominance of financial assets over housing and other assets is already a reality in the USA. Australia is trailing behind America in this trend due to having the most expensive housing (as a percentage of incomes) in the world.

And the distribution of household wealth? The final chart shows the polarisation of incomes, wealth (net worth) and other financial aggregates. Yes it is skewed, but not as much as many other developed nations. At least the rich and well-off households pay the lion’s share of the taxes!