

RESPONSE TO QUESTION ON NOTICE

LEGISLATIVE COUNCIL

QUESTION NUMBER: Question 3

ASKED BY: Ruth Forrest MLC

ANSWERED BY: Leader of the Government

QUESTION:

With regard to imputed rents for owner occupied housing:

(1)

- a. How are imputed rents included in the national income accounts; and
- b. can the Government confirm that imputed rents for owner occupied housing are included in national income accounts at a rate as high as 8%?

(2)

- a. To what extent have imputed rents affected the growth in national income over the last three years; and
- b. as it appears to have had a big impact, how has it affected Tasmania as relative latecomers to the boom?

ANSWER:

- (1) and (2) For the benefit of Members, imputed rents are a calculation by the Australian Bureau of Statistics to try to estimate the rent that owner-occupiers would pay on the housing that they own. This concept treats owner-occupiers as if they were renting from themselves. Imputed rents are included in ABS National Accounts data. While imputed rents and actual rents are separated out at a national level, they are not split this way on a state basis. Income from the ownership of dwellings accounts for around eight per cent of household income. However, this calculation includes both imputed and actual rents. This is a highly complex area and further enquiries on the detailed treatment of this matter would best be directed to the ABS, which has responsibility for the preparation and treatment of these data.

 APPROVED/NOT APPROVED



Hon Michael Ferguson
Deputy Premier
Treasurer

Date: **23** June 2022