

## HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON ECONOMICS

### REVIEW OF THE FOUR MAJOR BANKS (FOURTH REPORT)

#### Commonwealth Bank of Australia

**CBA45QW:** Can you please provide the following information disaggregated out by the following parameters:

- a. The number of mortgages held (total, principal + interest and interest only) by State
- b. The value of mortgages held (total, principal + interest and interest only) by State
- c. The number of mortgages negatively geared that are held by State of the mortgage holder (total, principal + interest and interest only) and by structure (individuals or families or held in trust)?
- d. The number of mortgages negatively geared that are held by State of the property (total, principal + interest and interest only) and by structure (individuals or families or held in trust)?
- e. The number of mortgages negatively geared that are held by State of the mortgage holder (total, principal + interest and interest only) and by age group (18 – 25, 26 – 35, 36 – 45, 46 – 55, 56 – 65, 66 – 75, 75+)?
- f. The number of mortgages negatively geared that are held by State of the property (total, principal + interest and interest only) and by age group (18 – 25, 26 – 35, 36 – 45, 46 – 55, 56 – 65, 66 – 75, 75+)?
- g. The value of mortgages negatively geared that are held by State of the mortgage holder (total, principal + interest and interest only) and by structure (individuals or families or held in trust)?
- h. The value of mortgages negatively geared that are held by State of the property (total, principal + interest and interest only) and by structure (individuals or families or held in trust)?
- i. The value of mortgages negatively geared that are held by State of the mortgage holder (total, principal + interest and interest only) and by age group (18 – 25, 26 – 35, 36 – 45, 46 – 55, 56 – 65, 66 – 75, 75+)?
- j. The value of mortgages negatively geared that are held by State of the property (total, principal + interest and interest only) and by age group (18 – 25, 26 – 35, 36 – 45, 46 – 55, 56 – 65, 66 – 75, 75+)?

Answer:

a.-b.

	Number of Mortgages Held (Jun-18)	Value of Mortgages Held (Jun-18)
ACT	6,362	\$2bn
NSW	94,953	\$39bn
NT	3,343	\$1bn
QLD	69,589	\$21bn
SA	17,004	\$4bn
TAS	2,692	\$1bn
VIC	73,779	\$27bn
WA	35,812	\$12bn
<b>Interest Only - Total</b>	<b>303,534</b>	<b>\$107bn</b>
ACT	22,202	\$5bn
NSW	319,829	\$84bn
NT	10,191	\$3bn
QLD	220,110	\$48bn
SA	72,688	\$13bn
TAS	29,271	\$5bn
VIC	294,115	\$67bn
WA	112,664	\$27bn
<b>Principal &amp; Interest - Total</b>	<b>1,081,070</b>	<b>\$252bn</b>
<b>Total</b>	<b>1,384,604</b>	<b>\$359bn</b>

Notes:

The figures above do not include Viridian Line of Credit home loan products.

The figures above include only Commonwealth Bank branded home loan balances and not balances held by subsidiaries of the Group.

c.-j. CBA does not determine whether customers are negatively geared on an ongoing basis. Additionally, data included in customer applications (such as whether a customer declares that they are receiving a Government tax benefit from the ownership of a property) is not easily disaggregated on a granular geographical and demographic basis.

In the two years to September 2018, the proportion of successful applicants for newly funded loans who declared that they will receive a negative gearing tax benefit has fallen from 37 per cent to 33.7 per cent. This reduction has most likely been driven by the lower proportion of investor loans in response to the regulatory lending restrictions.