

**Senate Economics Legislation Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

**Treasury Portfolio**

Budget Estimates

2017 - 2018

**Division/Agency:** Australian Bureau of Statistics

**Question No:** 30

**Topic:** Family Household Wealth

**Reference:** Hansard page 79 (31 May 2017)

**Senator:** Collins, Jacinta

**Question:**

Senator JACINTA COLLINS: Okay. The third point here then partly relates to my question to you, which is about there being no consideration of family household wealth in the SES scores. As you said, there are issues about collecting data on wealth. But did your response to the department go to my other question, which is: if not wealth, what other indicators are there available to us that might be relevant to a household's capacity to contribute? It could be income or workforce participation and there may be others that I just have not plucked immediately.

But this report refers to wealth; it probably should have referred to myriad other factors that are at the ABS's disposal. Did you provide any information to the department about what measures, other than wealth, may be relevant and could be put to their disposal?

Mr Kalisch: Just to give you a couple of examples, we did provide information to them that they could consider looking at equivalised income rather than household income.

Senator JACINTA COLLINS: What is that?

Mr Kalisch: Equivalised income is essentially taking account of the size of the family when you look at household income. To some extent it is almost getting at the participation aspect that you are thinking about—particularly if you have two adults and a number of children. In effect, it is looking at capacity to pay.

Senator JACINTA COLLINS: Yes.

Mr Kalisch: That was one suggestion that we did point out to the education department. The other aspects were that we said, 'You can look at income data from the census or, alternatively, you can look at income data from the tax office.' So that is another data source that might or might not be of preferable to use.

Senator JACINTA COLLINS: Is the income data that comes from tax records matched in any way with families or households?

Mr Kalisch: In what way?

Senator JACINTA COLLINS: As you said, you could look at tax data but for individuals that is not necessarily going to inform family income on its own.

Mr Kalisch: I would have to take that on notice. I am pretty sure that with some of the aspects the tax office would be able to construct some family income dimensions.

**Answer:**

While personal income tax data includes information on income earners, the number of dependants and spouse information, it does not identify family or household relationships. It is possible to construct these relationships through linking personal income tax data with Census data, which contain family and household characteristics information.

Existing legislation prevents the ABS to link to Australian Taxation Office (ATO) data in order to provide information to the ATO for taxation compliance purposes.