

Australian Business Economists





Australian Government

The Treasury

Presentation to Australian Business Economists

Ken Henry

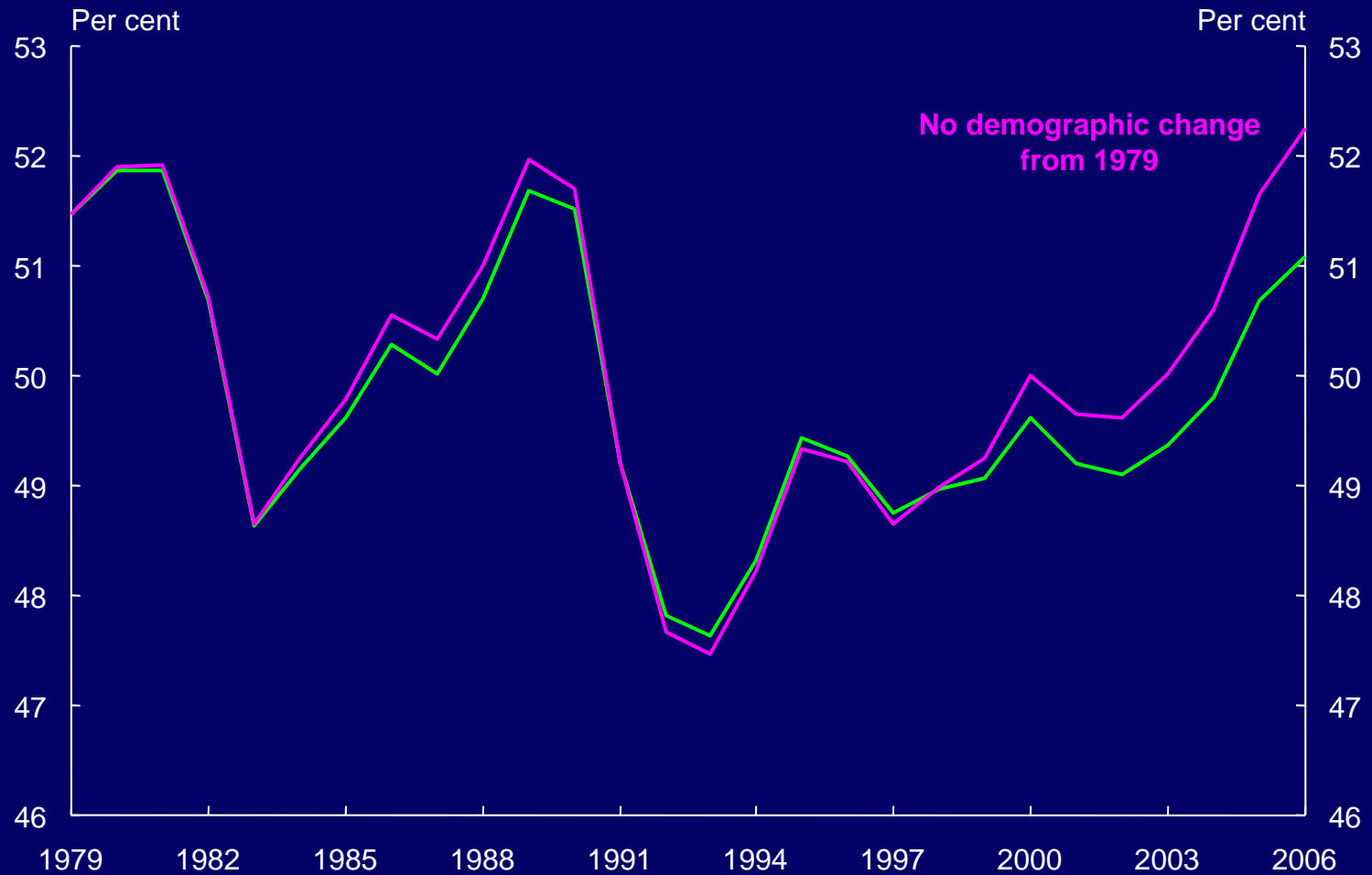
Tuesday 15 May 2007

Terms-of-trade



Source: ABS Cat. No. 5302.0 and RBA

FTE employment to working age population ratio



Source: ABS Cat. No. 6291.0.55.001 and Treasury

Demographic dynamics

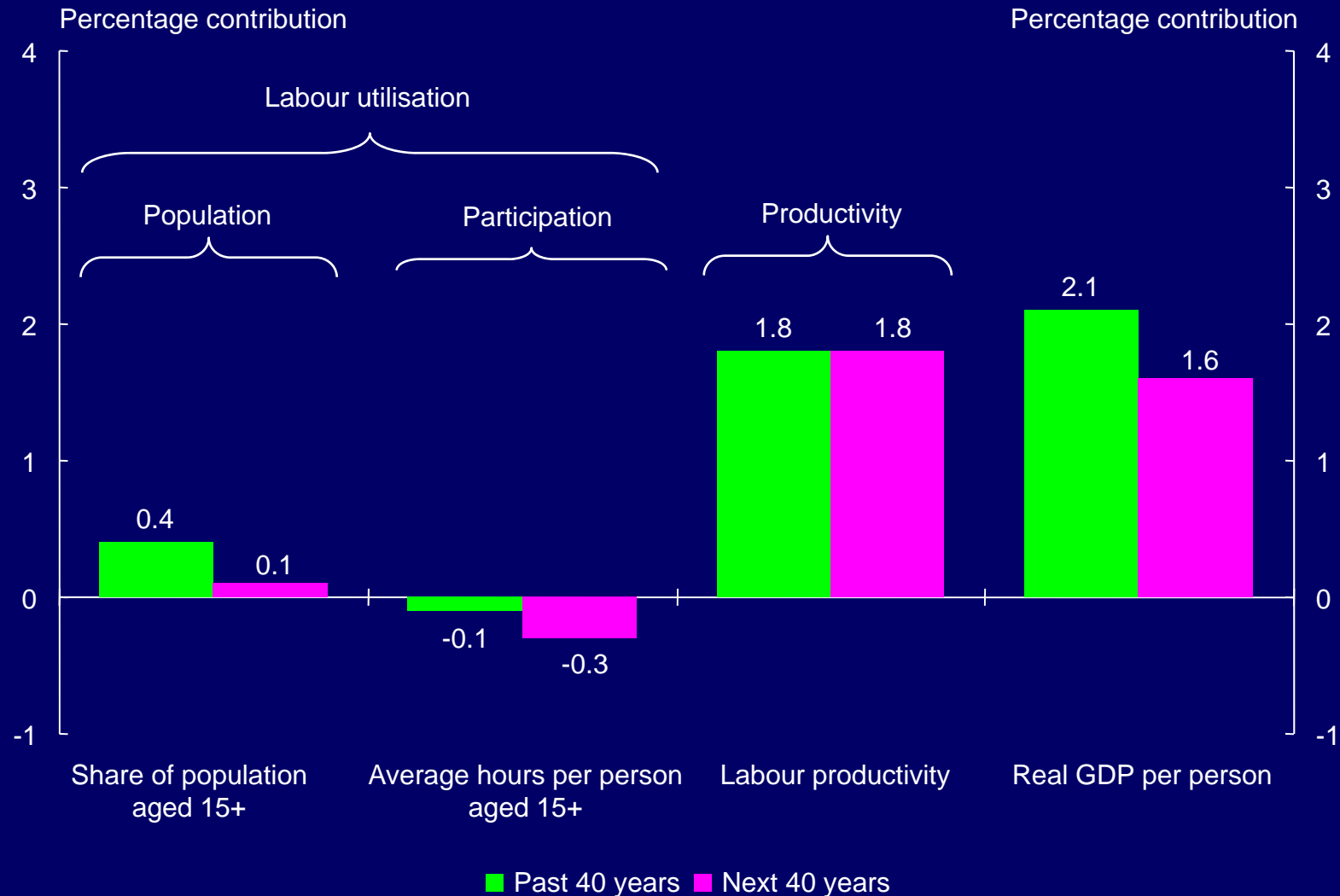
Population distribution (per cent of total population)

| | 1967 | 2007 | 2047 |
|--------------|-----------|-----------|-----------|
| 0-14 | 29 | 19 | 15 |
| 15-64 | 62 | 67 | 60 |
| 65+ | 9 | 14 | 25 |

Dependency ratios (per cent of population aged 15-64)

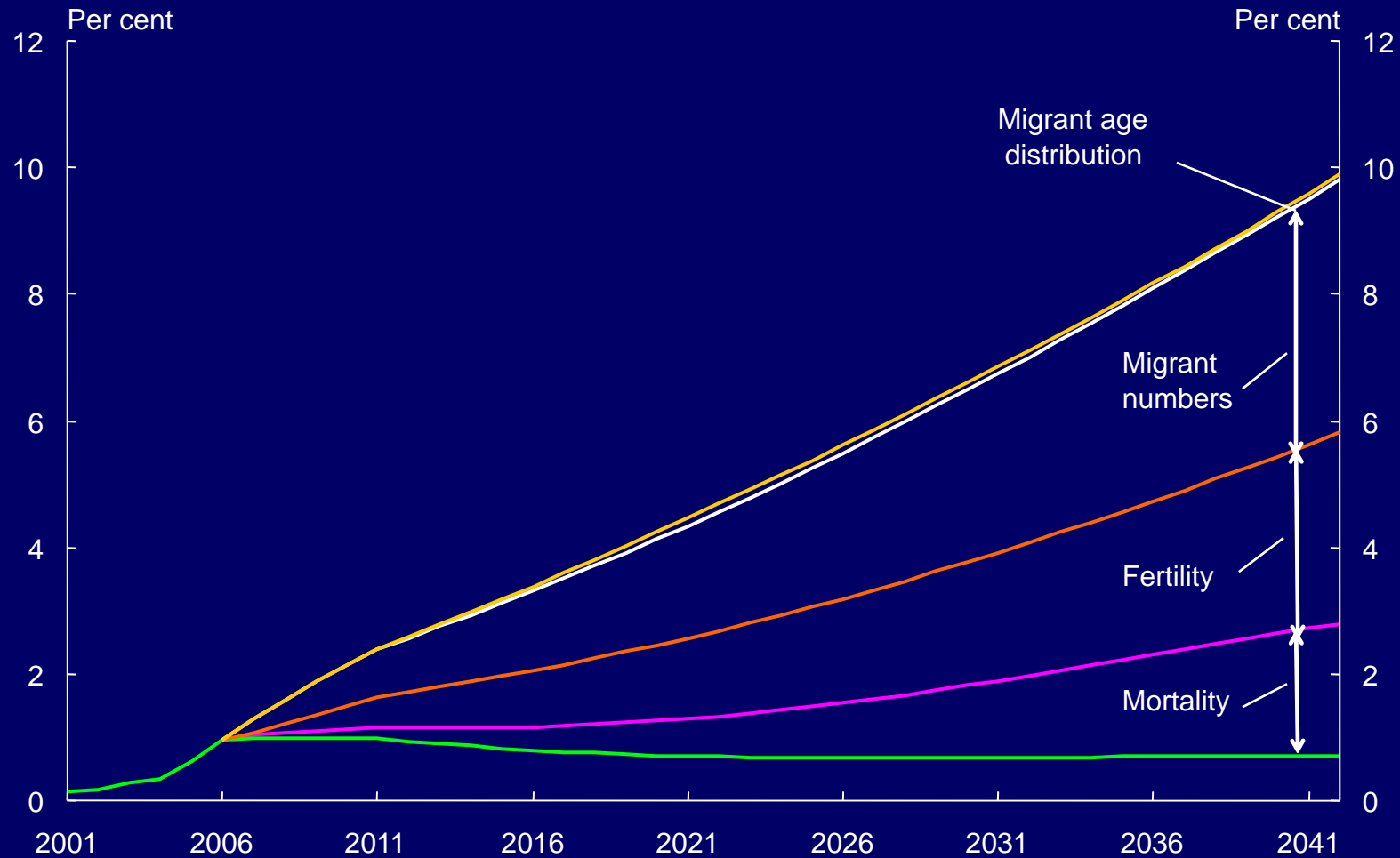
| | 1967 | 2007 | 2047 |
|--------------|-----------|-----------|-----------|
| 0-14 | 47 | 28 | 25 |
| 65+ | 14 | 20 | 42 |
| Total | 61 | 48 | 68 |

The 3Ps of growth in real GDP per person



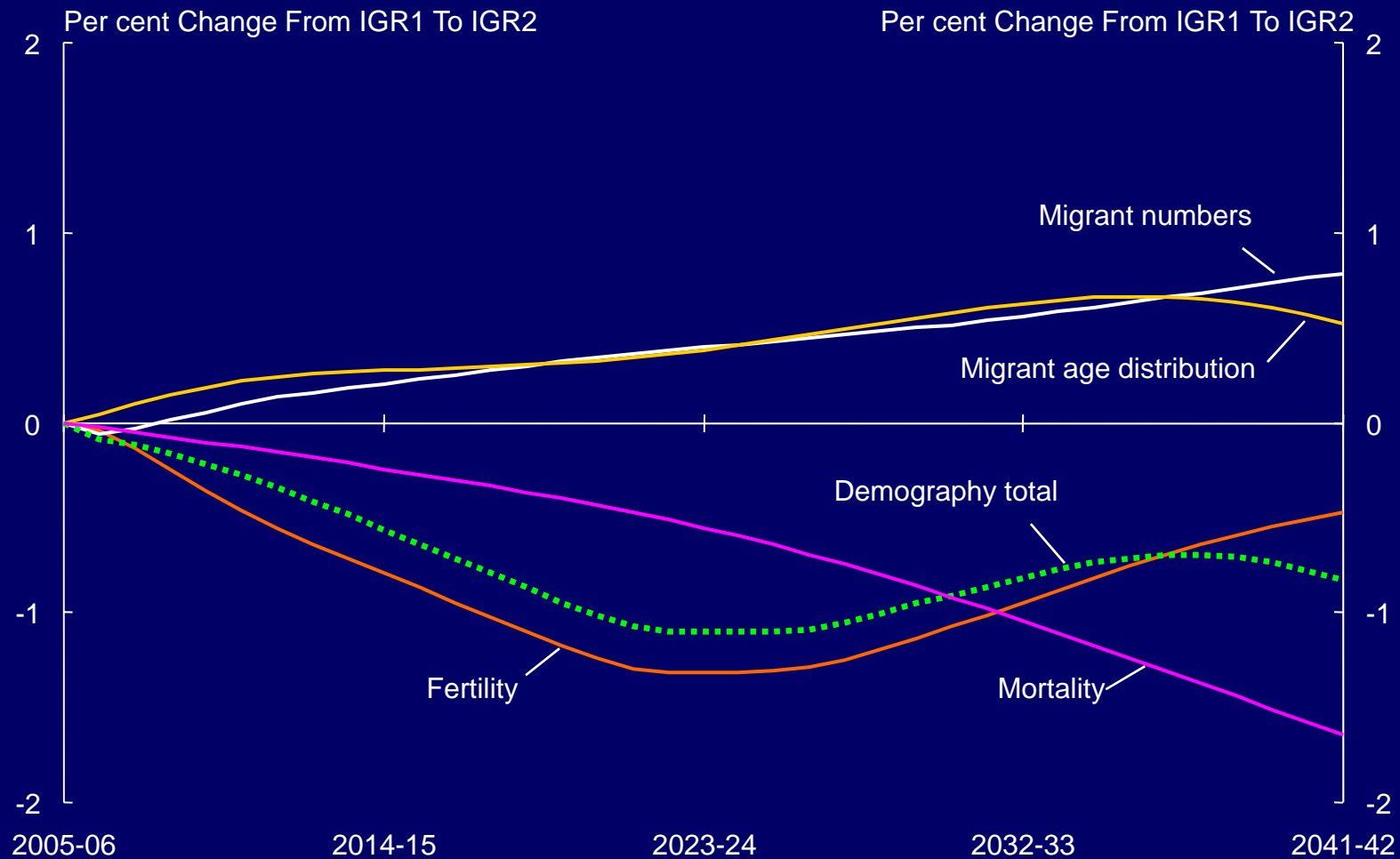
Source: ABS and Treasury

Population projections: Percentage change from IGR1 to IGR2



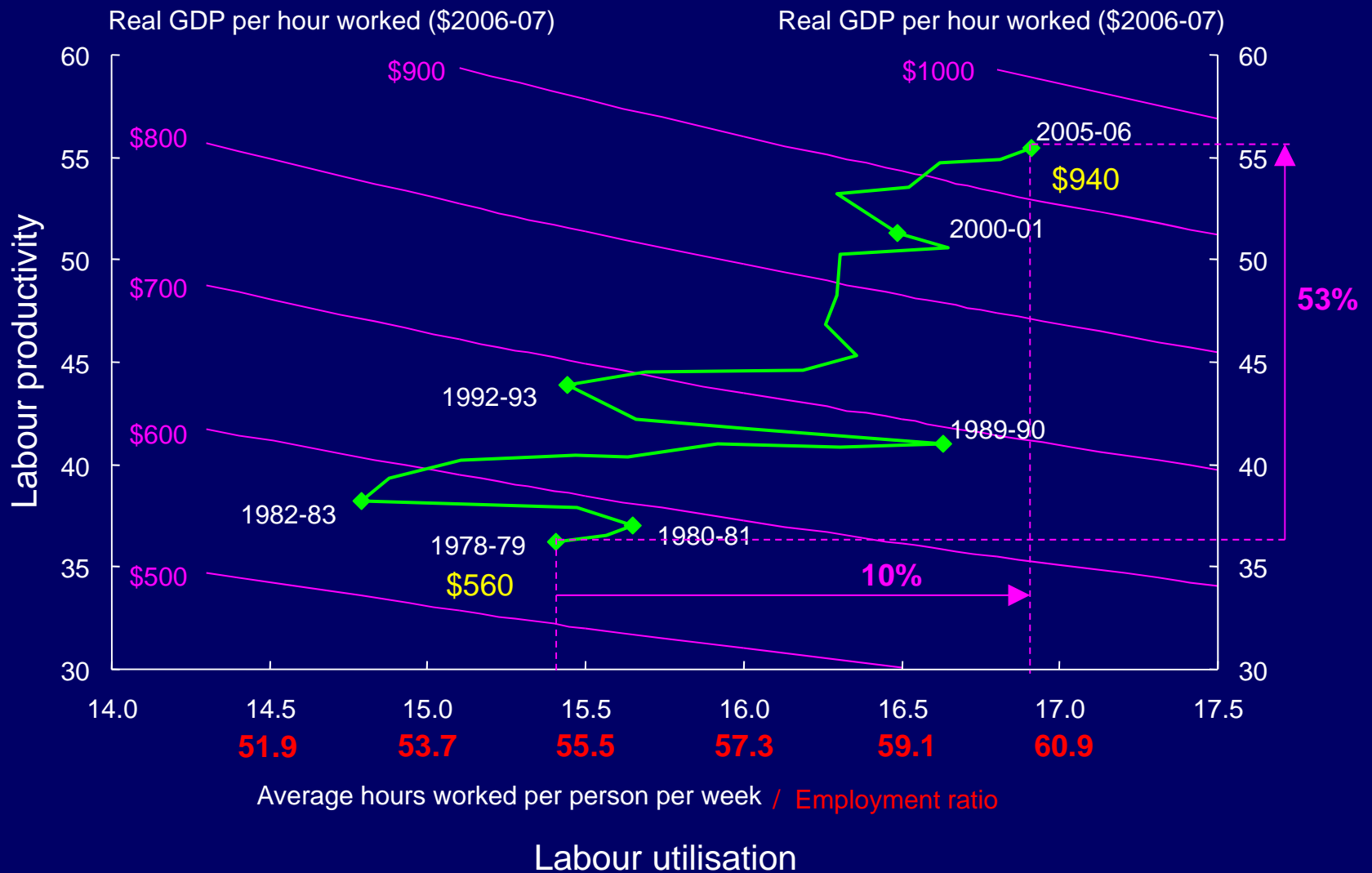
Source: ABS and Treasury

Demographic contributions to real GDP per person



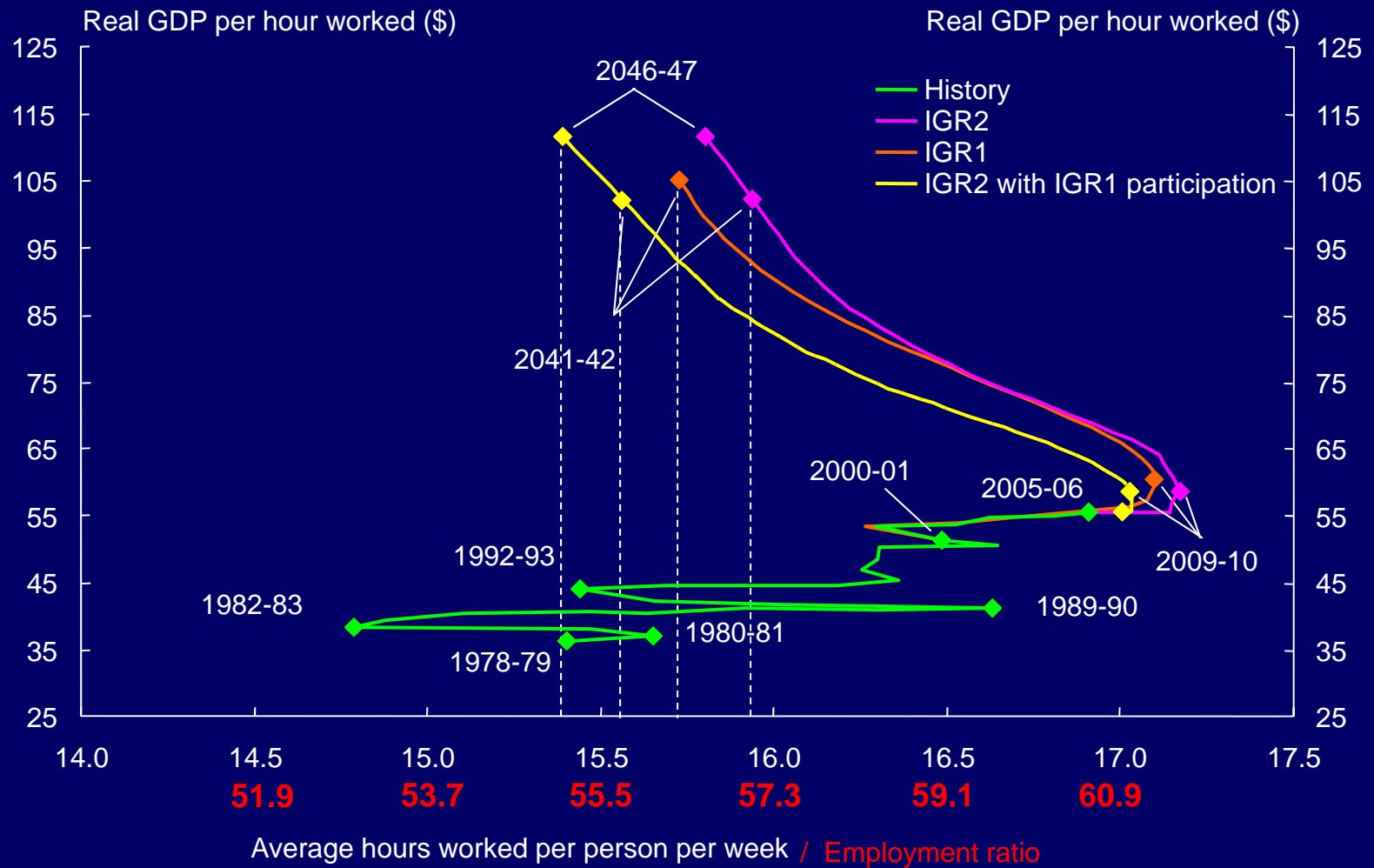
Source: ABS and Treasury

Productivity and labour utilisation



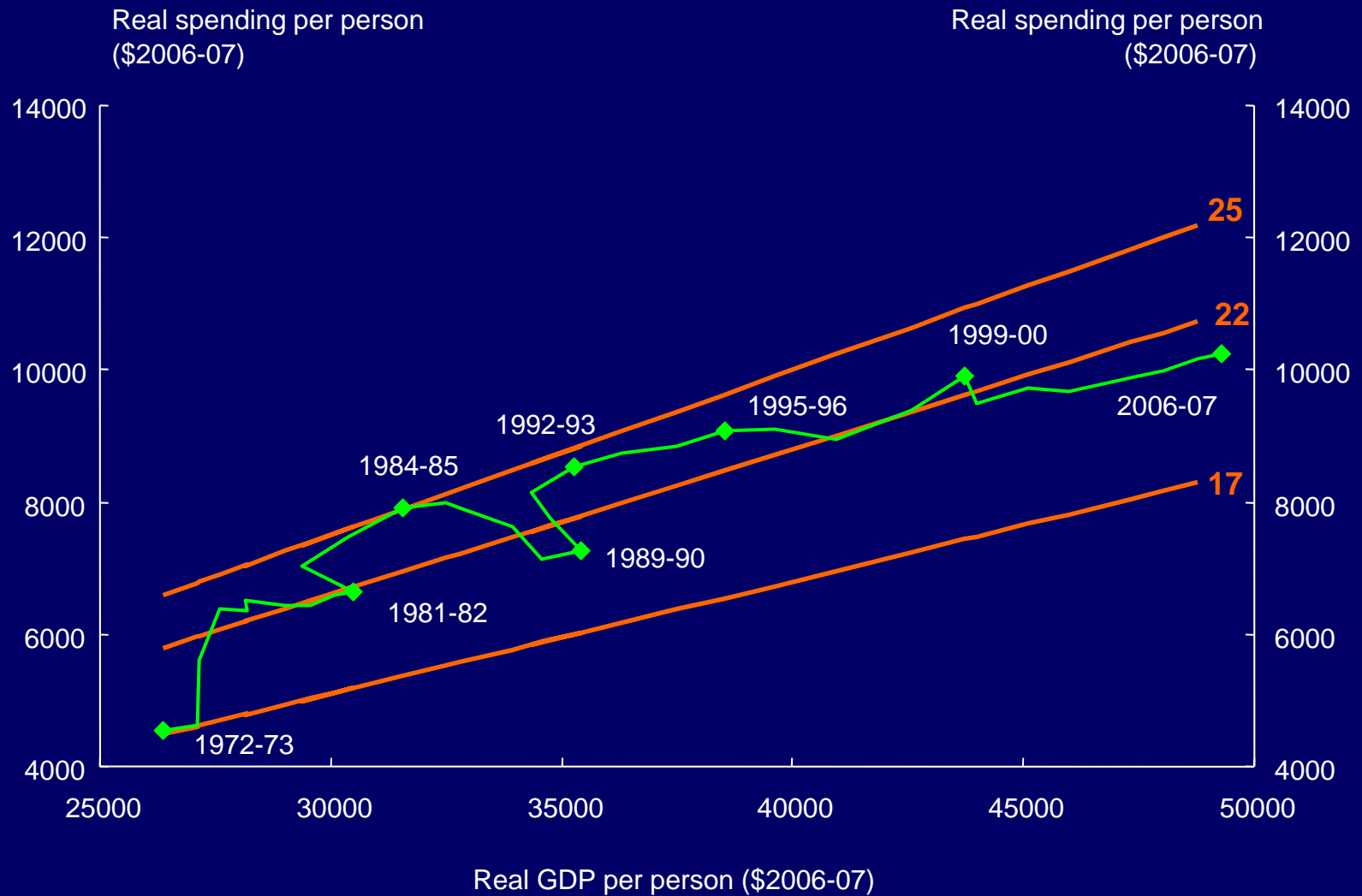
Source: ABS and Treasury

Productivity and labour utilisation



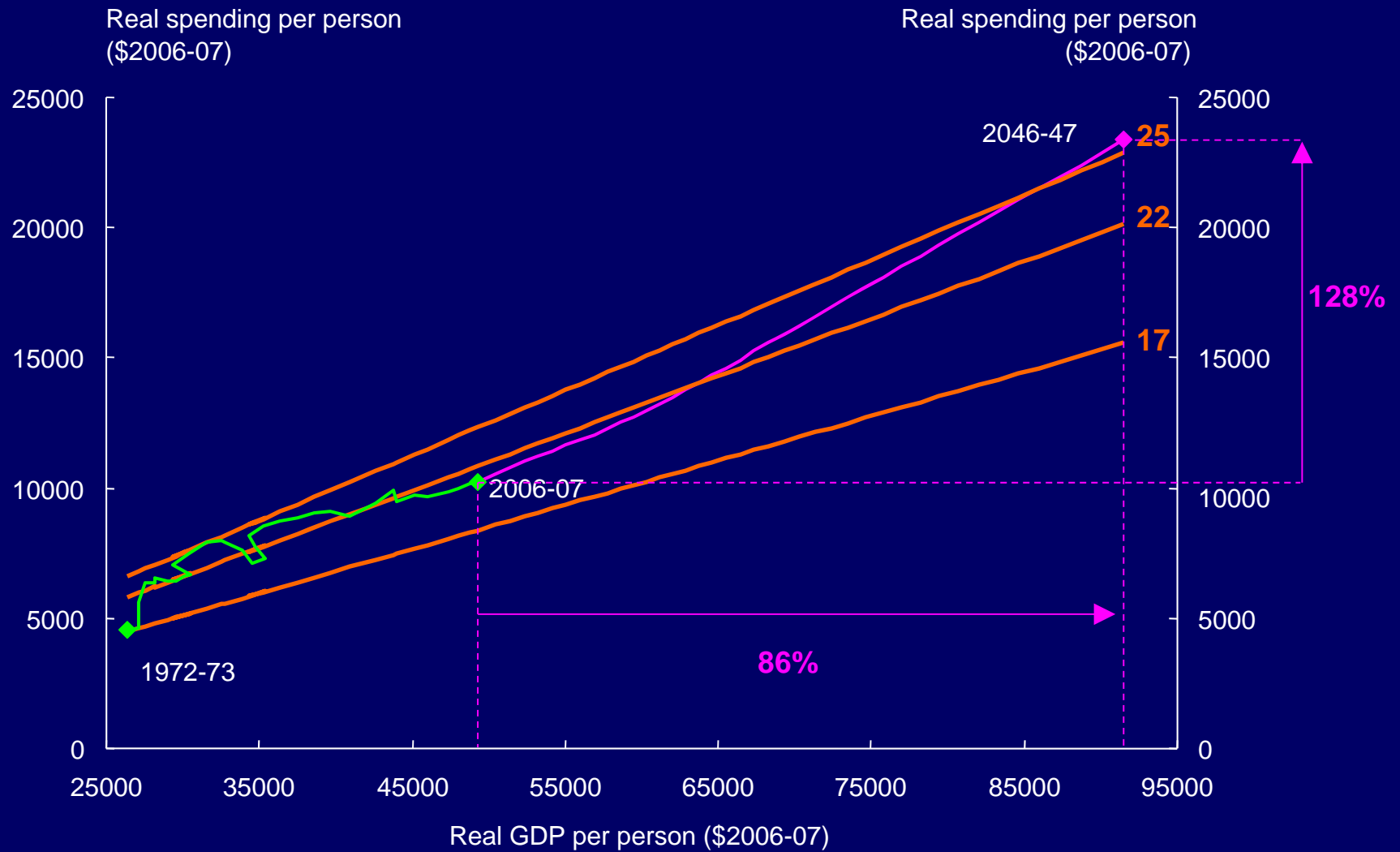
Source: ABS and Treasury

Government spending and GDP



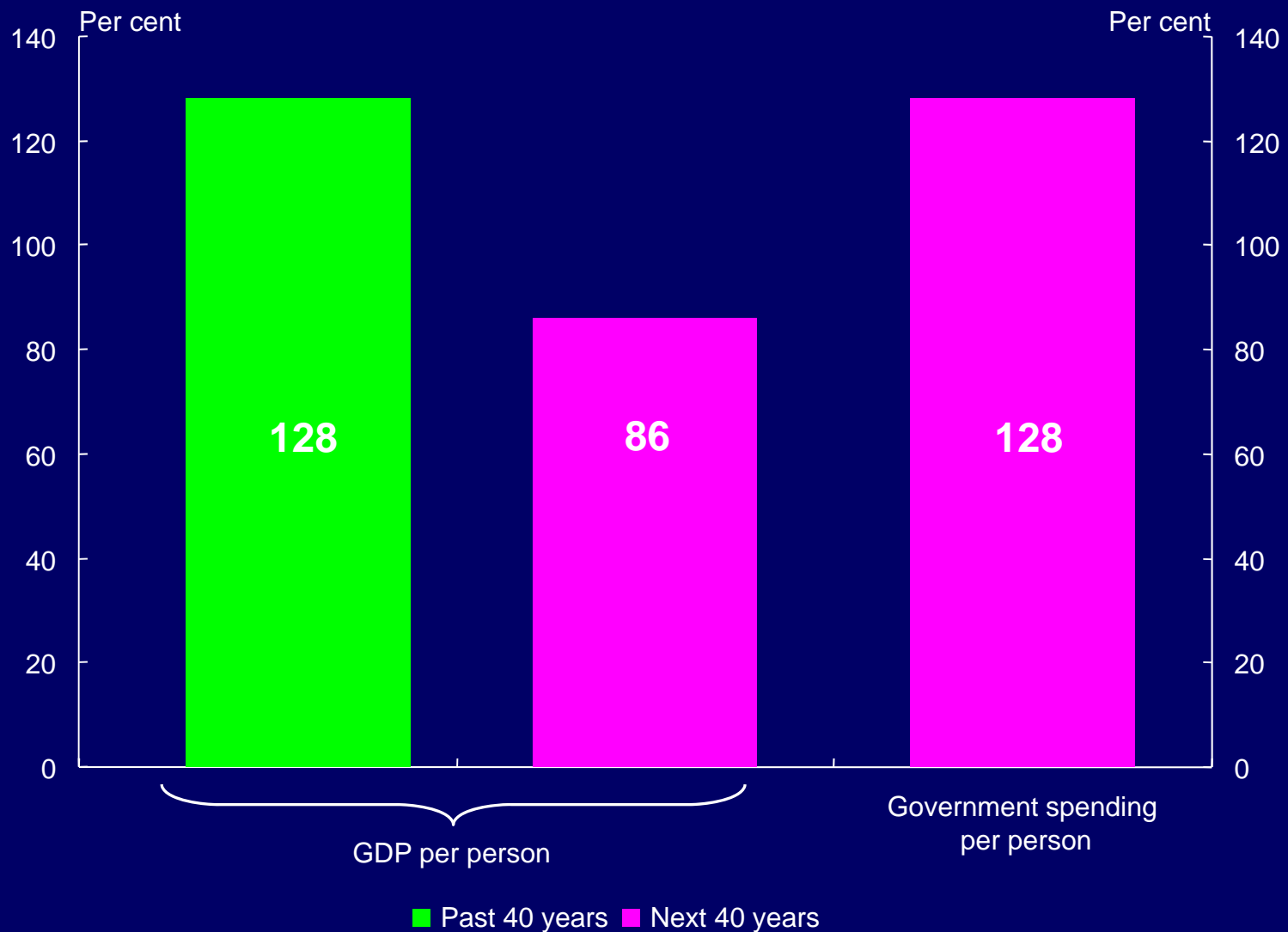
Source: ABS and Treasury

Government spending and GDP



Source: ABS and Treasury

Growth of real GDP and government spending per person



Source: ABS and Treasury



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The Hon Malcolm Turnbull
Minister for the Environment & Water Resources
Climate change: the greatest economic challenge

Friday 06 July '07
Swissotel Sydney

abe.org.au