Schools conference

*Economics and the future of wellbeing*

Monday 13 May 2019
University of Technology, Sydney
ABE and the wellbeing of economics

Mr Stephen Walters
Chair, Australian Business Economists
Chief Economist, NSW Treasury
Labour Market Outcomes by Field of Study

- **Average earnings**
- **Unemployment rate**

*Main subject area studied in bachelor degree; excludes postgraduate degree holders
**Full-time employees; income from all sources

Sources: ABS, RBA
Economics: Forecasts and your future

Dr Alexandra Heath
Head of Economic Analysis
Reserve Bank of Australia
Forecasts and your future

Alex Heath
Reserve Bank of Australia
13 May 2019
Household Consumption and Income*

Year-ended growth

0
4
8
%
0
4
8
%
Real disposable income

Disposable income is after tax and interest payments; saving ratio is net of depreciation

Sources: ABS; RBA
Household Consumption and Income*

Year-ended growth

Consumption

Real disposable income

* Disposable income is after tax and interest payments; saving ratio is net of depreciation

Sources: ABS; RBA
Household Consumption and Income*

Year-ended growth

Consumption
Real disposable income
Saving ratio

Disposable income is after tax and interest payments; saving ratio is net of depreciation

Sources: ABS; RBA
Labour Market
Seasonally adjusted

<table>
<thead>
<tr>
<th>Year</th>
<th>Unemployment Rate</th>
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<tbody>
<tr>
<td>2009</td>
<td>59%</td>
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<td>2014</td>
<td>61%</td>
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<td>2019</td>
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Employment to working-age population ratio

* Hours-based measure
** Trend unemployment in dark blue

Sources: ABS; RBA
Labour Market
Seasonally adjusted

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<th>Year</th>
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<tr>
<td>2009</td>
<td>6.3</td>
<td>62.5</td>
<td>63.8</td>
</tr>
<tr>
<td>2014</td>
<td>5.3</td>
<td>62.8</td>
<td>63.9</td>
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<tr>
<td>2019</td>
<td>6.5</td>
<td>63.0</td>
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Sources: ABS; RBA
Labour Market
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<tr>
<td>Unemployment rate**</td>
<td>4%</td>
<td>4%</td>
<td>6%</td>
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<tr>
<td>Underemployment rate*</td>
<td>61%</td>
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Labour Market
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<th>Year</th>
<th>Underutilisation rate*</th>
<th>Unemployment rate**</th>
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* Hours-based measure  
** Trend unemployment in dark blue  
Sources: ABS; RBA
Unemployment Rates

Trend

By duration

2012
2005
0
1
2
3
%

Long-term
Medium-term
(<13 weeks)
Short-term
(13 to 52 weeks)
(>52 weeks)

By age

2012
2005
2019
0
4
8
12
%

15-24 years
25-54 years
55 years and over

Sources: ABS; RBA
Unemployment Rate Forecast*
Quarterly

* Confidence intervals reflect RBA forecast errors since 1993
Sources: ABS; RBA
Wage Price Index Growth by Sector

Private sector

Public sector

Year-ended* (incl bonuses)
Year-ended (excl bonuses)
Quarterly

* Non-seasonally adjusted; bonuses include commissions
Source: ABS
Trimmed Mean Inflation Forecast*

Year-ended

* Confidence intervals reflect RBA forecast errors since 1993

Sources: ABS; RBA
GDP Growth Forecast*

Year-ended

* Confidence intervals reflect RBA forecast errors since 1993
Sources: ABS; RBA
Tradable and Non-tradable Inflation*

Non-tradables**

Tradables excl volatiles

Year-ended

Quarterly (seasonally adjusted)

* Adjusted for the tax changes of 1999–2000

** Excludes interest charges and deposit & loan facilities

Sources: ABS; RBA
Economics in practice

Ms Besa Deda, St George Bank
Ms Elysse Morgan, Australian Broadcasting Corporation
Mr Alex Joiner, IFM Investors
Ms Dena Jacobs, Deloitte Access Economics
Ms Emily Blythe, Westpac Treasury
Making happiness

Ms Shade Zahrai, Influenco Group
Thanks!

abe.org.au