



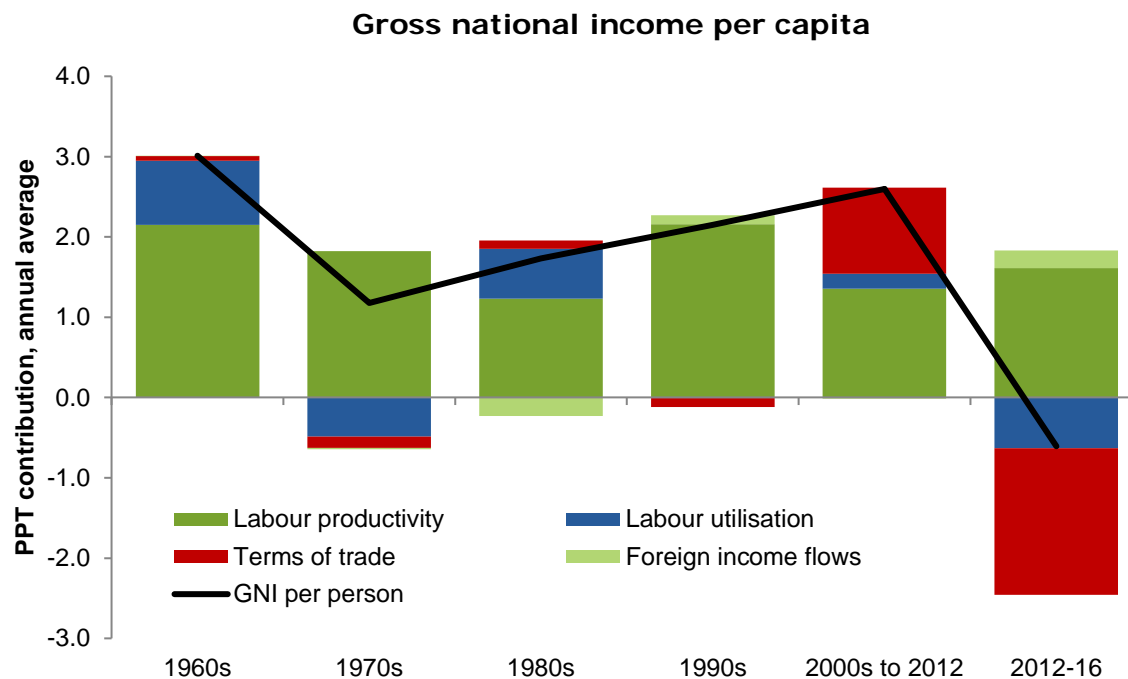
Australian Government
Productivity Commission

OUTLOOK, JULY 2017

Peter Harris
Productivity Commission

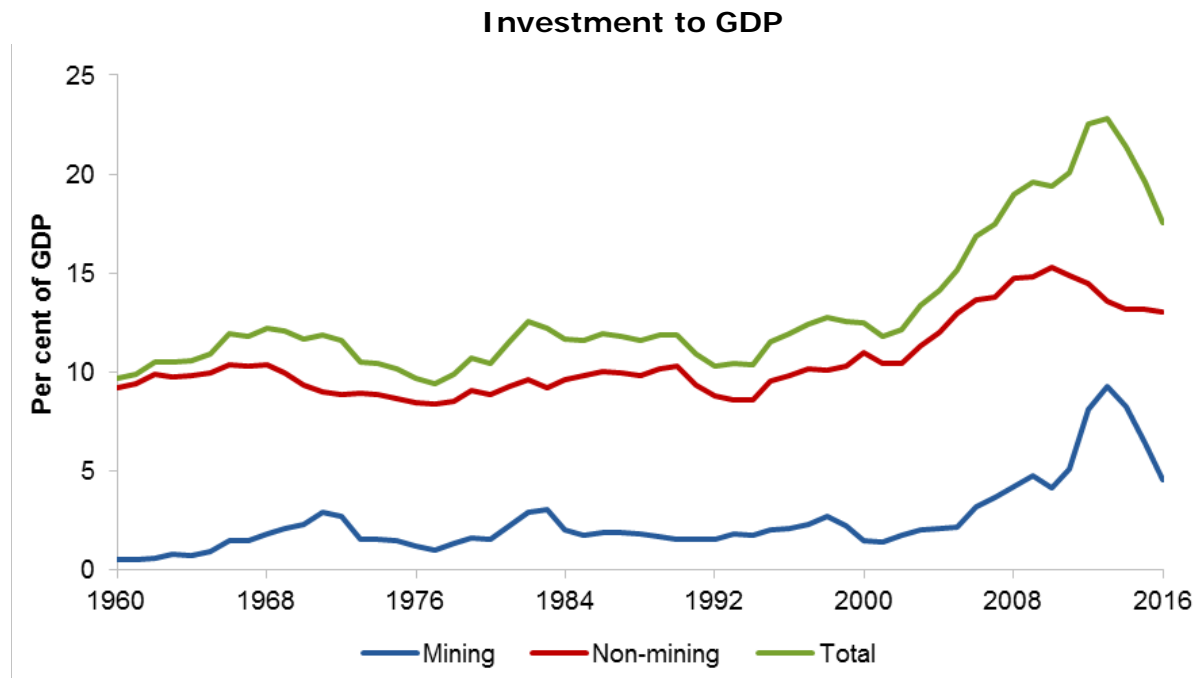


Contributions to income growth



Data source: ABS 2016, Australian System of National Accounts, 2015–16, Cat. no. 5204.0, December, and Productivity Commission estimates.

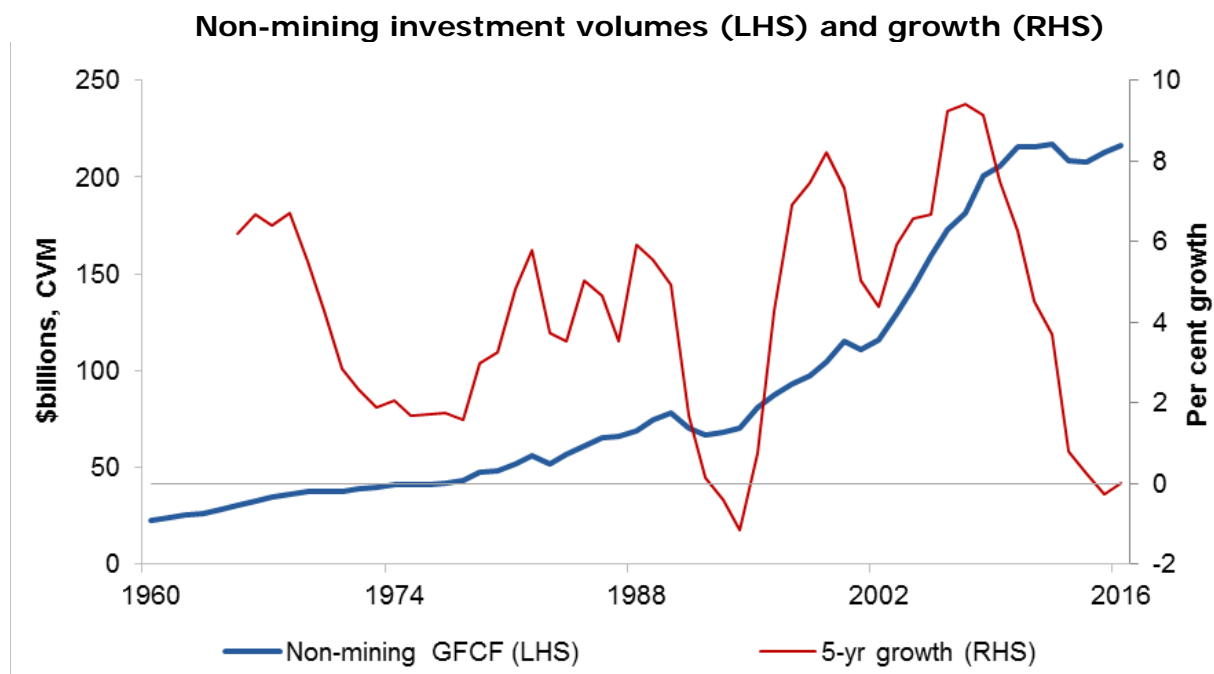
Mining and non-mining investment activity



Notes: Investment to GDP refers to real gross fixed capital formation to real gross domestic product.

Data source: ABS 2016, Australian System of National Accounts, 2015–16, Cat. no. 5204.0, December, and Productivity Commission estimates.

Non-mining investment growth



Note: Investment is real gross fixed capital formation, and growth is a simple five-year period end moving average.

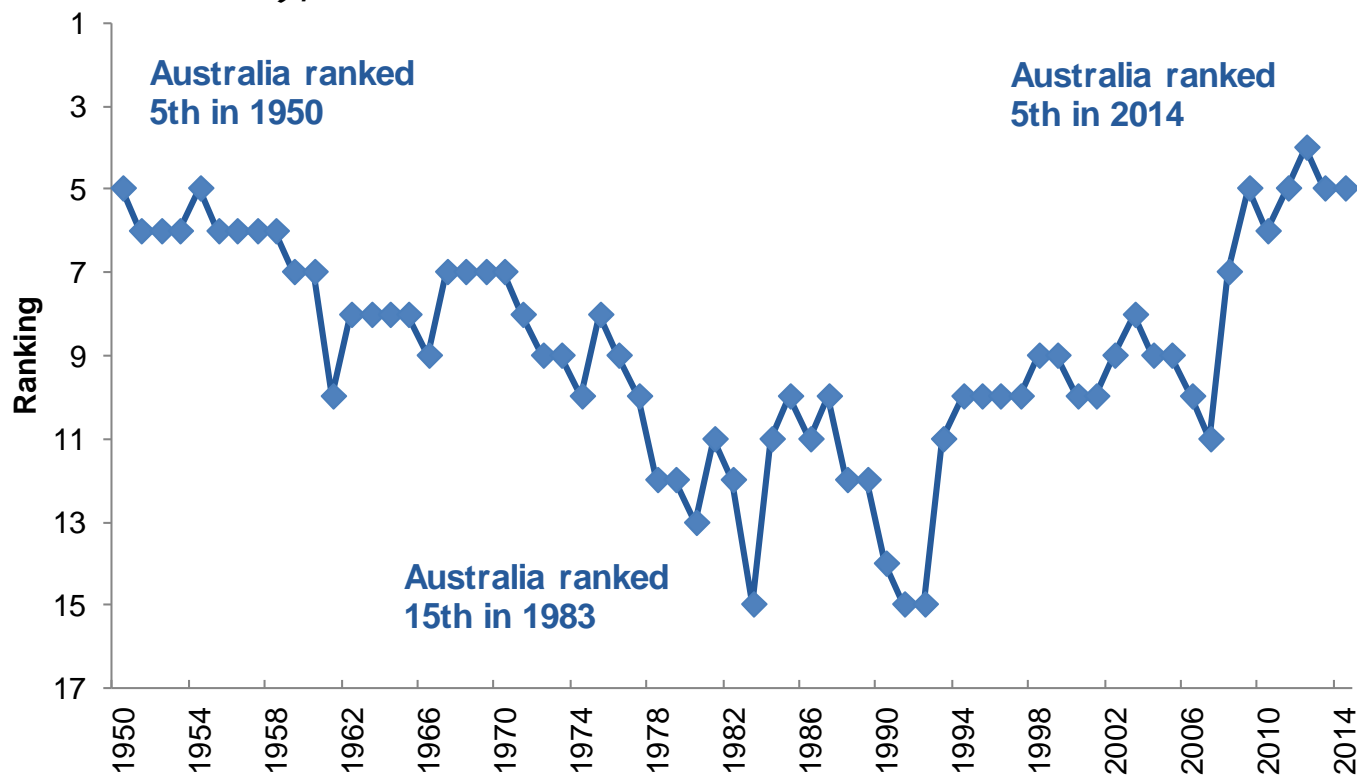
Data source: ABS 2016, Australian System of National Accounts, 2015–16, Cat. no. 5204.0, December, and Productivity Commission estimates.

Where to start....

- A right to return, in education
- A serious spring clean of urban planning
- Address disease prevention as directly as we address workplace accidents
- Change the early retirement paradigm
- Data, the new resource discovery
- Stop creating new barriers to trade and labour mobility

Australia's OECD economic ranking

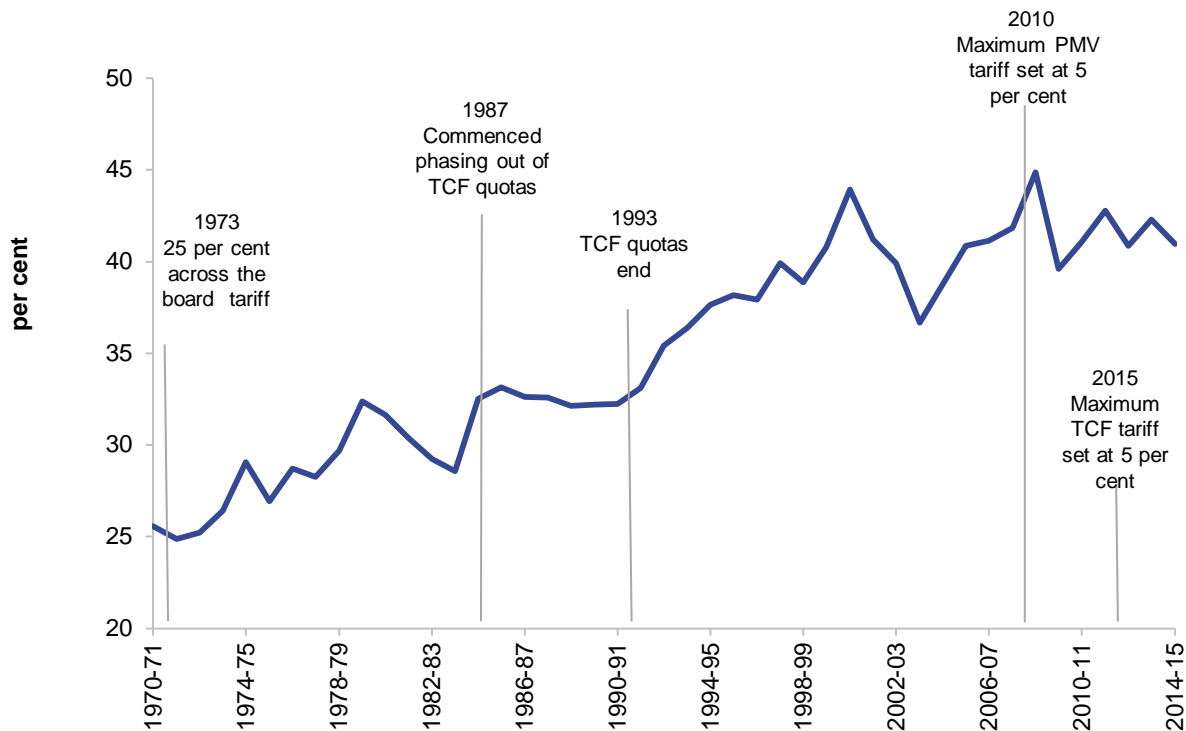
Real GDP per capita in 1990 US\$ (converted at Geary Khamis PPPs), OECD countries



Source: The Conference Board Total Economy Database™, May 2015, <http://www.conference-board.org/data/economydatabase/>; ABS (Australian System of National Accounts, 2014-15, Cat. no. 5204.0, October 2015).

A more open economy

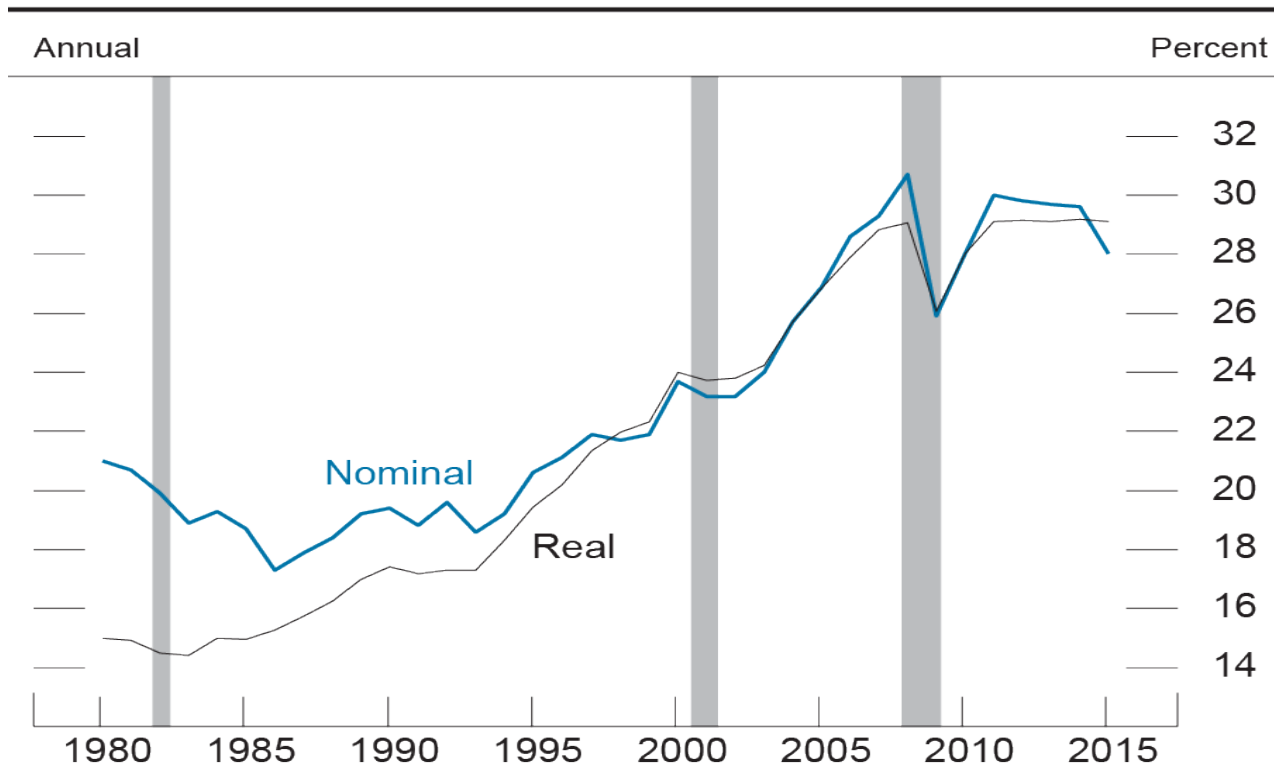
Trade intensity (1970-2015)^a



^a Refers to nominal exports plus imports divided by nominal GDP.

Source: ABS Cat. nos 5302.0, 5206.0

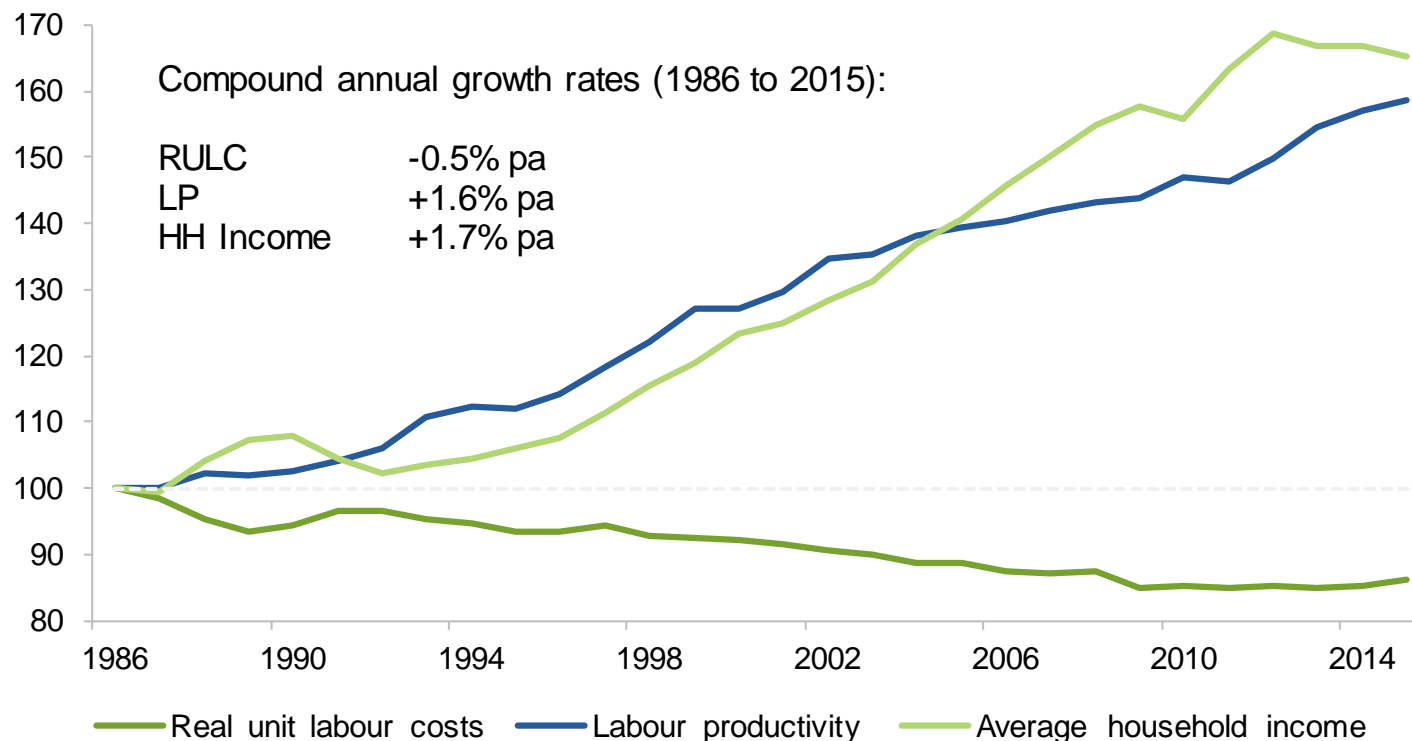
World trade as a share of gross domestic product



NOTE: The shaded bars indicate periods of global recession defined as 55 per cent of world gross domestic product in recession.
 SOURCE: World Development Indicators, World Bank; recession data are from Economic Cycle Research Institute (ECRI).

Household income has improved significantly

Labour productivity and real household income^a

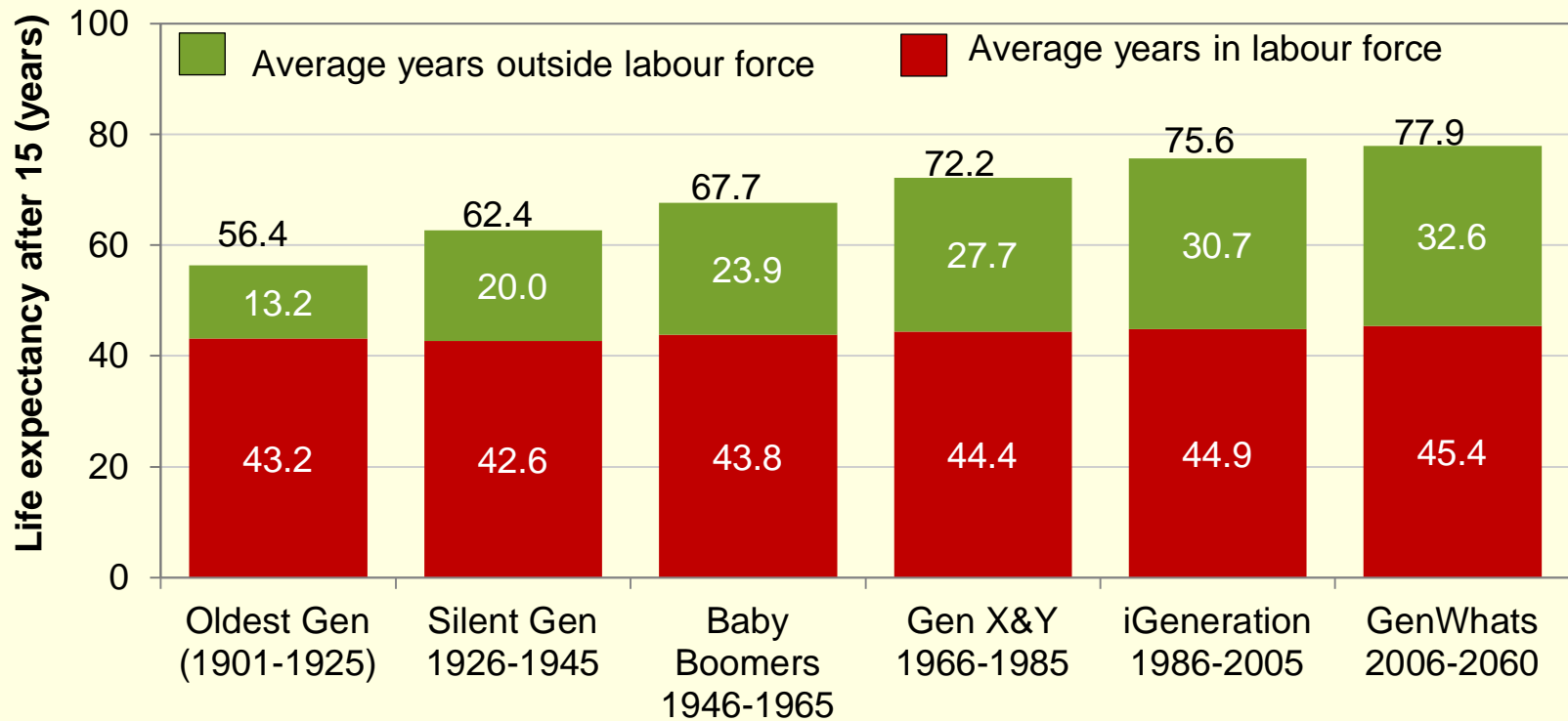


^a Labour productivity is calculated as real gross domestic product per hour worked. Real household income is expressed as real gross national income per capita, per household based on Census data on average household size.

Data source: ABS Cat. No. 5204, Table 1, 6 & 72, ABS Cat. No. 6202.0, Table 6.

Mismatch between life expectancy and retirement policy

People are living longer, but not increasing the time spent in the workforce



Rounding errors means numbers may not exactly sum