



Australian Government

The Treasury

# JOINT ECONOMIC FORECASTING GROUP REPORT

ECONOMIC OUTLOOK FOR  
2015–16 and 2016–17

September 2015

This report incorporates domestic and international data released up to 30 September 2015.

## EXECUTIVE SUMMARY

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The Australian economy continues to adjust to the unwinding of the mining boom and faces ongoing fragilities in the global economy and it continues to grow below trend. While the economy is performing well given the scale of these challenges. The transition to higher rates of growth of household consumption and non-mining business investment has been a little slower than anticipated at Budget, leading to a slight downgrade to the growth outlook. Real GDP growth is now forecast to be 2½ per cent in 2015-16 and 3 per cent in 2016-17.

The economic growth of Australia's major trading partners has been revised down by ¼ of a percentage point in each year of the forecast period, largely reflecting a softer outlook for growth in the US, Japan and 'other East Asia'. While the US remains a major driver of global growth, there has been some weakness in externally exposed sectors. In China, the growth outlook is unchanged, despite heightened financial market turbulence and the continued slowdown in industrial activity.

The prices of key commodity exports – in particular iron ore and coal – have remained relatively flat, although the impact of the sharp decline in 2014 continues to drag on Australian incomes. The US dollar price of oil has fallen significantly since the Budget, given ample global supply and weakening demand. A lower oil price is providing a net benefit to the Australian economy although this will weaken the increasing importance of LNG exports.

Net exports are expected to make a strong contribution to growth in both 2015-16 and 2016-17, driven by a surge in LNG exports and a fall in capital imports as large LNG projects are completed. A lower exchange rate is supporting strong growth in tourism and other services exports. In contrast, an El Niño weather pattern and lower-than-expected spring rainfall is expected to weigh on rural exports over the near term.

Mining investment will continue as major projects reach completion. We expect non-mining business investment to pick up, following solid growth in 2014-15, although the indicators are mixed. Strong business conditions and increased capacity utilisation point to further strong growth ahead. However, the ABS survey of business investment intentions remains very soft, creating a larger-than-usual degree of uncertainty.

Investment in dwellings continues to support activity and the pipeline of work yet to be completed suggests strong growth will continue over the next year or two. Strong growth in house prices and a further modest decline in the household saving ratio are expected to support solid growth in household consumption, albeit at a slower rate than expected at Budget given a more modest outlook for household income growth.

Household income growth is expected to be constrained by low wages growth as wages respond flexibly to support employment growth at a time of ample spare capacity in the labour market. Flexibility in wages and hours worked, together with strength in the labour-intensive services sectors of the economy, is expected to see the unemployment rate remain around current levels, before falling to 6 per cent by the June quarter 2017.

Low wage growth, together with the low oil price, is also acting to contain inflation, notwithstanding pressure on import prices from the lower exchange rate. CPI inflation is forecast to remain near the bottom of the RBA's target band in 2015-16. A subdued outlook for growth in consumer and other domestic prices will continue to weigh on nominal GDP growth. The forecast for nominal GDP growth in 2016-17 has been revised down by ½ a percentage point to 5 per cent.

There is, as always, a number of uncertainties in the economic outlook. The largest global uncertainties are around China's transition to a more sustainable growth model and the possible spillovers from the much-anticipated tightening in US monetary policy. There is also uncertainty around key commodity prices particularly if Chinese demand for steel continues to soften. Domestically, uncertainty remains around the outlook for non-mining business investment and the extent to which the household saving rate will fall to support consumption.

## External Developments and Outlook

### The international economy

Global economic growth is expected to gradually strengthen into 2016, supported by lower oil prices and accommodative monetary policy settings in the major advanced economies. But the outlook remains uneven and potentially volatile.

Forecasts of Australia's **major trading partners'** growth have been revised down since Budget (see **Table 1**). This reflects downward revisions in growth forecasts for Japan, the US and 'other East Asia'.

Global growth forecasts have also been revised down since Budget and remain below that of Australia's major trading partners in 2015 and 2016.

**Table 1: 2015 September JIEFG – International forecasts**

	2015			2016			2017		
	Budget	Sept	IMF	Budget	Sept	IMF	Budget	Sept	IMF
China	6 3/4	6 3/4	6.8	6 1/2	6 1/2	6.3	6 1/4	6 1/4	6.0
India	7 1/2	7 1/2	7.5	7 1/2	7 1/2	7.5	7 1/2	7 1/2	7.6
Japan	1	3/4	0.8	1	1	1.2	1/2	1/2	0.4
United States	3 1/4	2 1/2	2.5	3 1/4	3	3.0	3	3	2.7
Euro area	1 3/4	1 1/2	1.5	1 3/4	1 3/4	1.7	1 3/4	1 3/4	1.6
Other East Asia (a)	4 3/4	3 3/4	4.7	4 3/4	4 1/2	4.8	5	4 3/4	5.0
Major trading partners	4 1/2	4 1/4	na	4 1/2	4 1/4	na	4 1/4	4	na
World	3 1/2	3 1/4	3.3	3 3/4	3 3/4	3.8	3 3/4	3 3/4	3.8

World, euro area and other East Asia growth rates are calculated using GDP weights based on purchasing power parity (PPP), while growth rates for major trading partners are calculated using export trade weights.

(a) Other East Asia comprises the newly industrialised economies of Hong Kong, South Korea, Singapore and Taiwan and the Association of Southeast Asian Nations group of five (ASEAN -5), comprising Indonesia, Malaysia, the Philippines, Thailand and Vietnam.

Source: National Statistical Agencies, IMF World Economic Outlook (April, July 2015), Thomson Reuters and Treasury.

The **Chinese** economy is transitioning to a more sustainable pattern of growth based on consumption and services. A broader-based growth model will enhance the resilience of the Chinese economy as the previous high rates of investment-led growth have built vulnerabilities in the real estate and financial sectors, and in the finances of local governments and state-owned enterprises. However, as illustrated by the recent volatility in Chinese equity markets, this transition may not be smooth and introduces some uncertainty to the outlook for China.

There has been ongoing weakness in the traditional drivers of activity in the Chinese economy, including investment, exports and industrial production, while retail sales remain relatively stable. The Chinese government has committed to a 2015 growth target of 'around 7 per cent' and has emphasised that this takes into consideration what is possible and what is needed to ensure ample employment. The authorities are actively adjusting monetary and fiscal policy to support the economy, with solid infrastructure investment partly offsetting softness in manufacturing and real estate investment. Employment growth remains steady with over 7 million jobs created in the first half of this year, consistent with a target of 10 million new jobs for 2015.

A slowdown in the Chinese property market, along with overcapacity in the resource and energy intensive sectors, is a downside risk to the prices of key Australian commodity exports, particularly iron ore and metallurgical coal.

China's domestic demand for steel has been somewhat subdued since the Budget as a result of a weakening manufacturing sector. However, despite softening domestic demand, steel production levels have remained broadly in line with 2014 levels, which has led to increases in Chinese steel exports and placed downward pressure on global steel prices. Concerns remain around whether Chinese production and exports are supported by genuine global demand.

More generally, China's new consumption and service-led growth model, rapidly growing middle class and the China-Australia Free Trade Agreement will provide opportunities for Australian businesses and the economy. China is now Australia's second largest source of tourists (after New Zealand). In 2014, there were around 840,000 Chinese short-term visitor arrivals, spending around \$8.2 billion and accounting for around one fifth of travel service exports.

**India** is expected to be the fastest growing major economy in the world over the forecast period.

Growth is forecast to be 7½ per cent in 2015, 2016 and 2017. India continues to benefit from low commodity prices (especially energy) and the Government is making steady, if unspectacular progress on its economic reform agenda. The improved outlook for India is positive for Australian exports. Coal accounts for the majority of Australian merchandise exports to India, while Australian service exports to India are dominated by education-related travel.

The **United States** economy is acting as a major driver of global growth, and conditions for a continued recovery remain in place. Growth is forecast to be 2½ per cent in 2015 and 3 per cent in 2016 and 2017. Recent data indicates strength in the US domestically-orientated sectors and the labour market continues to perform strongly. However, there is some weakness in externally-exposed sectors that are dealing with a stronger US dollar. It is expected that activity will continue to be supported by lower energy prices and accommodative monetary conditions.

The US Federal Reserve left its policy rate on hold near zero in September, where it has been since December 2008. As the US economy continues to strengthen and the labour market approaches full employment there is intense focus on the timing of when the US Federal Reserve will begin to raise interest rates. This has contributed to volatility in financial markets in recent times. Higher US interest rates are a downside risk for emerging market economies, which could experience financial market volatility and capital outflows.

A **euro area** recovery remains on track, despite the turmoil in Greece mid-year. Given the resilience in the economic indicators in the euro area, accommodative monetary policy, a renewed fall in oil prices and the depreciation of the euro, activity is expected to rise by 1¼ per cent in 2016 and 2017. However, in the longer-term many underlying structural and institutional problems in the euro area persist, and reforms to raise the potential rate of future growth will remain difficult.

The growth forecast for **Japan** has been downgraded to ¾ per cent in 2015, from 1 per cent in the Budget. Since May, consumption and exports weakened more than expected, though they were partially offset by gains in government consumption and public investment. For the second half of 2015 and 2016 the Japanese economy is likely to benefit from wage pressure providing support for consumption, as well as increased momentum in private sector investment. Growth is forecast to be ½ per cent in 2017, with a scheduled increase in the rate of consumption tax.

In aggregate, growth for the **ASEAN-5** countries is expected to slow in 2015 due to soft domestic demand and lower global and regional growth. Relative to Budget forecasts, forecast growth for 2015 has been revised down by around half a percentage point to 4¾ per cent.

### Key commodity prices

Bulk commodity (iron ore and coal) price forecasts are derived using a four week average. Iron ore prices fell sharply in early July following volatility in Chinese equity markets, but largely recovered by the end of the month. The price has since stabilised despite further volatility in Chinese markets. As a result, there is only a minor upward adjustment to the price forecast (Table 2).

There remain downside risks to the iron ore price given plans for further supply expansions in both Australia and Brazil and uncertainty around the extent of the slowdown in the Chinese economy. Responding to lower prices, major iron ore producers have lowered their costs by increasing operating efficiencies. In both Australia and Brazil, producers are also benefiting from their currency's depreciation against the US dollar and falls in the oil price, which is an important input cost.

Metallurgical coal and thermal coal spot prices have edged lower since the Budget as a result of soft global demand and ample global supply. While some smaller, higher-cost producers have exited the market this has been offset by increases in supply from larger, lower-cost producers.

Oil prices have continued to fall since the Budget, hitting six year lows in late August, with the ramp up of Iranian exports adding to the downward pressure on prices. With ample global oil supply and significant inventories, oil prices are expected to remain low in the near term.

While the sustained drop in oil prices is benefiting many parts of the Australian economy, it is also placing significant pressure on Australia's gas sector, as Liquefied Natural Gas (LNG) export prices are linked to oil prices through long-term contracts. With Australian LNG projects hitting full production over the next few years, a sustained drop in oil prices will lead to lower export revenue from these projects.

## Domestic Economic Developments and Outlook

### Assumptions

Compared to the Budget, there are some important changes to the forecasting assumptions (Table 2).

**Table 2: Key assumptions**

	Budget	Sept
Iron ore (\$US/t, FOB)	48	51
Metallurgical coal (\$US/t, FOB)	90	81
Thermal coal (\$US/t, FOB)	60	57
Malaysian Tapis (\$US/bbl)	64	52
USD exchange rate (\$US)	0.77	0.73
Trade-weighted index	64	62

Note: interest rates are assumed to move broadly in line with market expectations.

Downward revisions to net overseas migration data have lowered the near-term population growth assumptions.

The interest rate assumption is broadly unchanged from Budget and continues to reflect market expectations of a further cut in 2015.

### Real GDP growth is forecast to increase

Real GDP continues to grow at below-trend rates as the economy rebalances from resources investment and towards broader-based drivers of activity.

While growth is still forecast to strengthen, the outlook is slightly weaker than at Budget, largely reflecting a more subdued outlook for consumption growth.

The implied GDP forecasts for calendar years 2015 and 2016 are within the range of consensus forecasts.

### Net exports are expected to contribute strongly

Net exports are expected to make a strong contribution to growth, with the end of the investment phase of the resources boom continuing to give rise to a surge in resources exports and a decrease in mining-related capital imports.

In addition, non-commodity and services exports are being supported by the depreciation in the exchange rate, while services exports are also being supported by growing demand from the expanding Asian middle class.

Total exports of goods and services are forecast to grow by 4½ per cent in 2015-16 and 8 per cent in

2016-17. Similar to the past three years, non-rural commodity exports are expected to account for between 75 per cent and 85 per cent of export growth over the forecast period.

While the prices of key commodities have fallen over the past year, major Australian miners remain viable and are amongst the world's lowest cost producers. This is in part due to significant cost cutting in the mining sector, along with the exchange rate depreciation and the fall in the oil price (oil is a significant input into production).

Iron ore exports are expected to continue to increase over the forecast horizon as a result of current plans to expand capacity, while LNG exports will also increase strongly as projects that are currently under construction move to the production phase.

Coal export volumes are expected to return to more normal levels after severe weather disrupted operations in the June quarter 2015. However, future growth will remain constrained as China increases its reliance on domestically-produced metallurgical coal and, in an effort to reduce pollution, curb thermal coal use by diversifying its fuel mix.

Rural exports are expected to fall in 2015-16, largely driven by lower beef exports, as producers are expected to rebuild their herds following a period of high cattle slaughter and destocking. An El Niño weather pattern in 2015-16 presents downside risks to the outlook.

Services exports are forecast to rise by 6 per cent in 2015-16 and 2016-17. This is stronger than previously expected due to the additional support being provided by further falls in the Australian dollar.

Total imports of goods and services are forecast to rise by ½ per cent in 2015-16 and 3 per cent in 2016-17. This has been driven by a rise in intermediate and other goods as a result of the lower oil price.

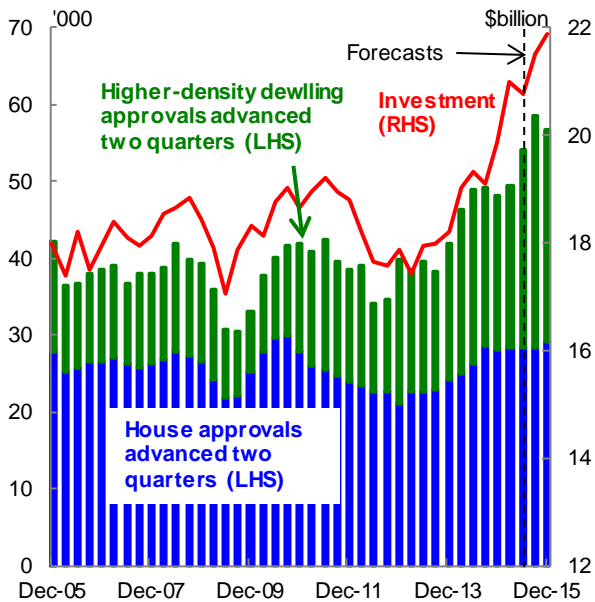
Falls in oil prices and global manufactured prices have seen only modest rises in import prices so far in 2015 despite the impact of a lower exchange rate. The terms of trade are forecast to fall by 6¼ per cent in 2015-16 and ½ per cent in 2016-17.

## Dwelling investment also remains strong

With approvals, commencements and work yet to be done currently at or near record levels, growth in dwelling investment is expected to maintain momentum throughout 2015-16 (Chart 6). Dwelling investment is forecast to grow by 8½ per cent in 2015-16, with growth easing to 2 per cent in 2016-17.

While it is expected that investment related to work already in the pipeline will be completed in 2015-16, it is possible that some activity will slip into 2016-17. Higher density dwellings, particularly residential towers, take longer to construct than standalone houses, and often take longer to commence following approval.

**Chart 6: Building approvals and investment**



Source: ABS Cat. Nos. 8731.0. and 5206.0, and Treasury

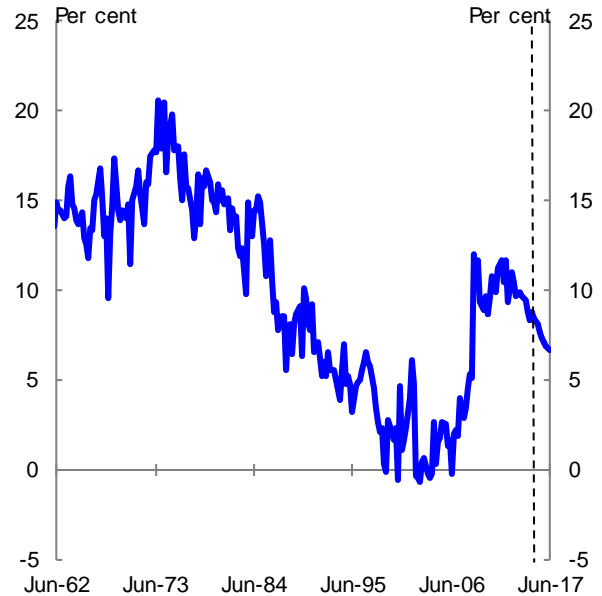
## Reduced incomes are weighing on consumption

Household consumption grew by 2.5 per cent in 2014-15, supported by strong growth in household wealth and lower petrol and electricity prices, while after-tax real labour income was relatively flat. Buoyant conditions in the housing market are likely to have provided support, contributing to the increase in household wealth and spending on household furnishings.

Household consumption is forecast to grow by 2¼ per cent in 2015-16 and 3 per cent in 2016-17. A fall in the household saving rate is expected to provide support, given that wage growth is expected to result

in subdued income growth in 2015-16 before wage growth picks up slightly in 2016-17. The household saving ratio is forecast to fall from 8.9 per cent in 2014-15 to 6½ per cent in 2016-17 (Chart 7).

**Chart 7: Household saving ratio**



Note: Expressed as per cent of net household disposable income.

Source: ABS Cat. No. 5206.0 and Treasury.

## Business investment continues to fall

Business investment has been detracting from real GDP growth in recent years as large-scale mining investment, particularly for LNG, winds down. This is expected to continue, with total new private business investment forecast to fall by 7 per cent in 2015-16 and by 3½ per cent in 2016-17.

Mining investment is expected to decline further as the remaining LNG projects come to completion. Meanwhile, recent falls in commodity prices mean that other large-scale mining investments under consideration have been put on hold, as companies reassess project viability. Lower commodity prices are also weighing on resource exploration activity.

Non-mining business investment grew solidly in 2014-15, coming in a little stronger than expected at Budget as a result of solid outcomes across services industries. However, despite this outcome the latest ABS capital expenditure (CAPEX) survey continues to cast doubt on whether this momentum will continue, with the estimate of firms' expectations for capital expenditure for 2015-16 remaining weak (the latest estimate points to a 7 per cent fall).

It is considered that some caution is needed in interpreting the CAPEX survey. In particular, the coverage of the non-mining sector in the survey is

patchy with the heterogeneity of firms contributing to the uncertainty. For example, smaller firms may require shorter lead times for investment and are more likely to adopt a 'wait and see' approach, that could affect their response to questions about planned/expected capital expenditure

Other indicators of business conditions and investment intentions have been more positive, including the NAB's measure of investment intentions which points to further growth in non-mining business investment in 2015-16.

Further, non-mining capacity utilisation has continued to improve over the last year which is an encouraging signal future investment intentions.

More broadly, the fundamentals for business investment remain favourable with low borrowing costs, continued increase in capacity utilisation, a further depreciation in the Australian dollar, sustained lower fuel costs and tax incentives for small businesses. Therefore, non-mining business investment is forecast to grow by 3 per cent in 2015-16.

### Public spending is subdued

New public final demand is expected to grow by 2 per cent in 2015-16 and 1½ per cent in 2016-17. Growth remains below trend as governments continue to exhibit expenditure restraint in light of the generally weak outlook for revenue. Commonwealth investment is expected to be supported by the continued roll out of the NBN.

### A resilient labour market

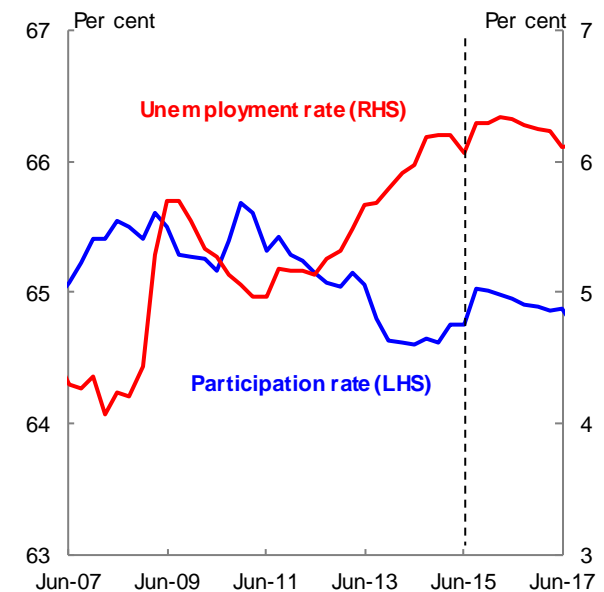
Despite recent below-trend real GDP growth, employment grew strongly in the year to August 2015, lifting the employment-to-population ratio to 61.0 per cent from 60.7 per cent a year earlier. Strong employment growth over the past year has seen the unemployment rate stabilise at a level a little below previous expectations of 6¼ per cent.

Leading indicators suggest the labour market will remain resilient. Employment is forecast to grow by 1½ per cent through the year to the June quarter 2016 and by 1¾ per cent through the year to the June quarter 2017. The participation rate is forecast to be 65 per cent and the unemployment rate is expected to remain around 6¼ per cent before falling to 6 per cent in the June quarter 2017.

### Subdued wages growth

The labour market is showing signs of being more flexible than in previous periods of significant structural adjustment in the Australian economy. Wage growth has fallen to historic lows (Chart 9) and hours worked have also adjusted. These adjustments have helped to support employment growth during a period of below-trend GDP growth.

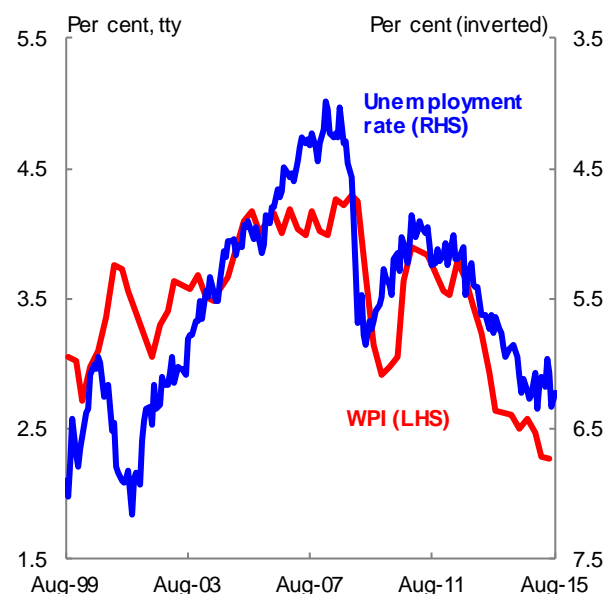
**Chart 8: Unemployment and participation rates**



Source: ABS Cat. No. 6202.0 and Treasury

Wage growth is forecast to remain subdued at 2½ per cent through the year to the June quarter 2016 and 2¾ per cent to the June quarter 2017.

**Chart 9: Wage (WPI) growth and unemployment rate**



Source: ABS Cat. No. 6202.0, 6345.0 and Treasury

## Inflation is contained

The subdued outlook for wage growth, in combination with below-trend GDP growth and lower oil prices, will place downward pressure on inflation. However, working in the other direction is the increase in import prices arising from the lower exchange rate. CPI inflation is forecast to be 2¼ per cent through the year to the June quarter 2016 and 2½ per cent to the June quarter 2017.

Business liaison meetings confirm that retailers are facing significantly higher import prices, although they are reluctant to pass these on to consumers given competitive pressures. Over time, it is expected that rising import prices will be passed on to consumers.

## Nominal GDP growth below trend

The nominal GDP growth outcome for 2014-15, while still modest, was slightly stronger than expected with less of a drag from the terms of trade than forecast. This has led to a slight upgrade to the forecast for nominal GDP growth to 3½ per cent in 2015-16. Nominal GDP growth in 2016-17 has been downgraded to 5 per cent reflecting weaker real GDP growth and slightly weaker terms of trade.

## Downside risks and uncertainty remain

The forecasts are based on a range of assumptions about the evolution of variables such as the exchange rate, interest rates and oil prices. If these assumptions or behaviours evolve differently than assumed, so will the forecasts.

Apart from these general risks, there are some key risks to the forecasts internationally and domestically.

On the international front, the impact of the slowdown in the Chinese property market, along with overcapacity in resource and energy intensive sectors, is a downside risk to the prices of key Australian commodity exports. China's domestic demand for steel has remained subdued since the Budget as a result of a weakening manufacturing sector. While production levels have remained broadly in line with 2014 levels, concerns remain around whether excess Chinese steel production is supported by genuine global demand.

Emerging markets are vulnerable to financial market volatility and significant capital market outflows in the face of ongoing uncertainty over US monetary policy. Anything that prompts the market to price in a more

rapid or substantial increase in rates would impact currency, interest rate and asset markets worldwide.

In Japan, the world's largest LNG buyer and Australia's largest thermal coal export market, there are potentially important changes in the electricity market that could see movements in its energy demand. Since Budget, there have been moves towards diversifying the proposed energy mix as well as deregulating the energy market. Should this result in less demand for LNG or thermal coal, this would place further pressure on Australian exporters.

Domestically, there are important risks to the forecasts stemming from the transition towards non-mining sources of growth.

The household consumption forecasts are predicated on consumption growing faster than household incomes, as households draw down on savings in response to modest income growth. Where the saving ratio settles is a key source of uncertainty.

The outlook for non-mining business investment remains a key source of uncertainty. As mining investment declines, business investment will be underpinned by a greater number of smaller investments in a diverse range of industries that are generally less capital intensive. This leads to difficulty in estimating both the timing and scale of a pickup in business investment. Furthermore, surveys of investment intentions have comparatively less coverage of the non-mining economy. While the fundamentals are in place for a sustained pickup, the CAPEX survey suggests non-mining investment may falter in 2015-16.

The dwellings sector is another potential source of risk in the forecasts given its highly cyclical nature. Dwelling investment has been a key contributor to growth in recent times with the current upswing lasting longer than past episodes. The timing of the cyclical peak and the extent of the subsequent moderation is highly uncertain. While the pipeline remains near record highs, developers can put projects on hold if demand conditions soften. The potential for a stronger upswing in renovation activity, which has so far remained relatively modest, provides an upside risk.

How these events in the real economy play out will have important implications for the labour market and inflation pressures. In particular, should downside risks to the growth outlook materialise, there is a



heightened risk that the unemployment rate would be higher than forecast.

Table 3: Domestic economy forecasts

<h1>Domestic Economy</h1>			
<i>Per cent</i> <sup>(a) (c)</sup>	2014-15	2015-16	2016-17
	Outcomes <sup>(b)</sup>	Current	Current
<b>Gross Domestic Product</b>			
<b>Real gross domestic product</b>	<b>2.4</b>	<b>2 1/2</b>	<b>3</b>
Consumption	2.5	2 3/4	3
Dwelling investment	8.3	8 1/2	2
Total business investment <sup>(d)</sup>	-5.9	-7	-3 1/2
Mining investment	-18.5	-25 1/4	-27 1/3
Non-mining investment	3.0	3	5 1/2
Public final demand <sup>(d)</sup>	0.7	2	1 1/2
Change in inventories <sup>(e)</sup>	0.2	0	0
Gross national expenditure	1.1	1 1/2	2
Exports	6.6	4 1/2	8
Imports	-0.4	1/2	3
Net exports <sup>(e)</sup>	1.4	1	1
<b>Nominal gross domestic product</b>	<b>1.8</b>	<b>3 1/2</b>	<b>5</b>
<b>Prices and wages</b>			
Consumer price index <sup>(h)</sup>	1.5	2 1/4	2 1/2
Wage price index <sup>(f)</sup>	2.3	2 1/2	2 3/4
GDP deflator	-0.6	3/4	2
<b>Labour market</b>			
Participation rate <sup>(g)</sup>	64.8	65	65
Employment <sup>(f)</sup>	1.6	1 1/2	1 3/4
Unemployment rate <sup>(g)</sup>	6.1	6 1/4	6
<b>Balance of payments</b>			
Terms of trade	-10.3	-6 3/4	- 1/2
Current account balance (% of GDP)	-3.5	-4 1/4	-3 1/2
<b>Other</b>			
Household savings ratio	8.9	7 3/4	6 1/2
<b>External factors</b>			
Major trading partner growth <sup>(i)</sup>	4.3	4 1/4	4
Iron ore (\$US/t, FOB) <sup>(i)</sup>	53	51	51
Metallurgical coal (\$US/t, FOB) <sup>(i)</sup>	87	81	81
Thermal coal (\$US/t, FOB) <sup>(i)</sup>	60	57	57
<b>Assumptions</b>			
Exchange rate (AUD/USD) <sup>(i)</sup>	78	73	73
Trade weighted index (TWI) <sup>(i)</sup>	64	62	62
Oil price (Tapis) (\$US/barrel) <sup>(i)</sup>	65	52	52
Cash rate (per cent) <sup>(i)</sup>	2.10	1.75	1.75
(a) Percentage change on preceding year unless otherwise indicated.	(f) Seasonally adjusted, through-the-year growth rate to the June quarter. Year average in projections and projection		
(b) Calculated using original data unless otherwise indicated.	(g) Seasonally adjusted rate for the June quarter.		
(c) Chain volume measures except for nominal gross domestic product which is in current prices.	(h) Through-the-year growth rate to the June quarter. Year average in projections and projection comparison.		
(d) Excluding second-hand asset sales from the public sector to the private sector.	(i) Reported in calendar years (i.e. 2014-15 = 2015)		
(e) Percentage point contribution to growth in GDP.	(j) Level for the June quarter		
Source: ABS cat. no. 5206.0, 5302.0, 6202.0, 6345.0, 6401.0, unpublished ABS data and Treasury.			