

From:

Sent: Thursday, 20 January 2011 4:44 PM

To:

Cc: MEG DED ForecastingTeam

Subject: RE: BR11/011 - UNALLOCATED - Briefing request - Black Rock Round table

Hi,

Please find attached DED's input into the briefing.

Please let me know if you have any questions.

Regards,

Analyst

Domestic Economy Division

The Treasury, Langton Crescent, Parkes ACT 2600

phone:

email:

From:

Sent: Thursday, 20 January 2011 9:48 AM

To:

Subject: RE: BR11/011 - UNALLOCATED - Briefing request - Black Rock Round table

[This content has been redacted under Section 22]

James

From:

Sent: Wednesday, 19 January 2011 3:14 PM

To:

Subject: FW: BR11/011 - UNALLOCATED - Briefing request - Black Rock Round table

James

[This content has been redacted under Section 22]

Thanks

Paul

Manager

Domestic Economy Division

The Treasury, Langton Crescent, Parkes ACT 2600

phone:

mobile:

fax:

email:

From:

Sent: Wednesday, 19 January 2011 11:08 AM

To:

Cc:

Subject: RE: BR11/011 - UNALLOCATED - Briefing request - Black Rock Round table

Hi all,

[This content has been redacted under Section 22]

Many thanks for all your input.

Regards,

Policy Analyst - Finance Taxation Unit

Business Tax Division

The Treasury, Langton Crescent, Parkes ACT 2600

phone:

email:

From:

Sent: Wednesday, 19 January 2011 10:04 AM

To: Briefing Requests;

Cc:

Subject: FW: BR11/011 - UNALLOCATED - Briefing request - Black Rock Round table

Chris: [This content has been redacted under Section 22]

Jevan: [This content has been redacted under Section 22]

Thanks.

Roger

From: Briefing Requests

Sent: Tuesday, 18 January 2011 2:54 PM

To:

Cc:

Subject: BR11/011 - UNALLOCATED - Briefing request - Black Rock Round table

Hi Roger, [This content has been redacted under Section 22]

Chris

From: Briefing Requests

Sent: Tuesday, 18 January 2011 12:12 PM

To:

Subject: BR11/011 - UNALLOCATED - Briefing request - Black Rock Round table

Hi Angela, [This content has been redacted under Section 22]

Regards Chris

From:

Sent: Tuesday, 18 January 2011 11:49 AM

To: Briefing Requests

Subject: BR11/011 - UNALLOCATED - Briefing request - Black Rock Round table

Hi Chris

Can you please allocate this to the relevant area within Treasury.

Thanks.

Al

TALKING POINTS

- Prospects for the Australian economy remain positive, with an underlying profile over the next year of solid growth, low unemployment, moderate inflation and a surge in business investment.
- In the 2010-11 MYEFO, real GDP was expected to grow strongly over the next two years, by $3\frac{3}{4}$ per cent in 2010-11 and $3\frac{3}{4}$ per cent in 2011-12. This implies that the economy will return to full capacity within the forecast period.
 - The recent flooding in Queensland and northern NSW is likely to have a substantial impact on the Australian economy, although it is too early to put a precise figure on the impact given that events are still unfolding.
 - There are currently a number of estimates in the public domain as to the effect of the recent floods on GDP growth. These estimates range from a detraction of 0.2 to one percentage point from GDP growth in 2010-11.
- Fiscal stimulus (which affects not only public final demand, but also household consumption and business investment) is now being withdrawn as private activity builds momentum, and is expected to detract around 1 percentage point from GDP growth in 2010-11 and $\frac{1}{2}$ of a percentage point from GDP growth in 2011-12.
- The terms of trade are forecast to rise by $15\frac{1}{2}$ per cent in 2010-11, underpinned by high prices for Australia's non-rural bulk commodity exports. However, the terms of trade are expected to fall by $4\frac{1}{2}$ per cent in 2011-12 as more global commodity supply comes online.
- The Australian labour market has been remarkably resilient in the face of the global downturn and is now staging a solid recovery. Australia's unemployment rate, at just 5.0 per cent, is lower than any of the major advanced economies.
- Inflation is also expected to rise over the forecast horizon, reflecting the strength in domestic demand, a buoyant labour market and anticipated increases in administered prices. Underlying and headline measures of inflation are expected to be $2\frac{3}{4}$ per cent through the year to the June quarter 2011 and 3 per cent through the year to the June quarter 2012.