



3. The economic effects of the coronavirus, and the ~~associated~~ se public health measures, on the global and Australian economy remain uncertain. There is much that we don't understand yet about this virus, and we don't know how long it will take to contain. On current information the Treasury advise me that the coronavirus could detract around **½** a percentage point from growth in the March quarter, and that some bounce-back in growth is expected ~~from therein~~ subsequent quarters. But they too would emphasise the uncertainties associated with these estimates.

Some sectors face particular challenges

The negative economic effects of the coronavirus will affect some sectors and businesses more than others. The largest direct effects are likely to be felt by the businesses and institutions whose ~~business model is~~ are most dependent on Chinese visitors and students.

- In 2018-19, China accounted for 32 per cent of total Australian international education exports by value, worth \$12.1 billion. I am advised that around 100,000 Chinese students (over half of the expected cohort) who intended to study here this year may still be overseas. Any delays to these students' study will be a challenge to the sector. But I want to emphasise that this challenge is not just about economics, it is about people. I know that our ~~great~~ universities, colleges and schools are doing all they can to work flexibly with these students to accommodate their needs.
- In 2018-19, there were around 1.4 million short-term arrivals from China, representing 15 per cent of total short-term arrivals. The plans of many of these tourists who intended to visit in the last few weeks will have been disrupted, and ~~for~~ that will flow-on to the businesses that support their visit. This comes at a particularly difficult time following the bushfires.
- There are many other Australians who have created or work for successful businesses that are linked to the strength of the Chinese economy, including Australia's ~~world-renowned~~ high-value agricultural exporters. These businesses too may face challenges

