



PARLIAMENT of AUSTRALIA

MEDIA RELEASE

HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON ECONOMICS

Chair: Tim Wilson MP

Review of the RBA Annual Report 2017 (second report) presented

Issued: 15 October 2018

Reserve Bank of Australia report presented

The House of Representatives Standing Committee on Economics today tabled the report of its Review of the Reserve Bank of Australia Annual Report 2017 (Second Report). The report provides a summary of issues raised at the public hearing with the Reserve Bank in Canberra on 17 August 2018.

The Chair of the committee, Mr Tim Wilson MP, said ‘the Governor’s testimony highlighted the strength of Australia’s economy. The RBA expects GDP growth to average around 3¼ per cent by the end of 2018 through to the end of 2019.’

‘Australia’s strong GDP growth is being supported by a pick-up in non-mining investment, strong commodity prices, growth in investment in energy projects and public sector infrastructure, low interest rates and the tax cuts already in place for small and medium businesses.’ Mr Wilson said.

Mr Wilson commented ‘Australia’s labour market has continued to strengthen with the labour force participation rate close to its historical high. Strong, continued growth in employment is expected to further reduce spare capacity in labour markets and generate a gradual increase in wages and inflation.’

‘While growth in average wages has been relatively low, we have turned the corner on wages growth. The wage price index increased by 0.6 per cent in the June quarter, which is the fastest quarterly increase since March 2014.’ Mr Wilson added.

For information about the inquiry visit the committee’s webpage at: www.aph.gov.au/economics

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