

**Senate Finance and Public Administration Legislation Committee:
Answers to written Questions on Notice
Supplementary Budget Estimates 2015–16
Parliamentary Departments Portfolio
October 2015**

Department	Parliamentary Budget Office
Topic	Terms of trade
Senator	Senator Wong
Question reference number	12
Type of question	Hansard

Question

Senator WONG: But presumably you are aware of projections [of movements in the terms of trade] for the outer years? You must have to factor them into your costings. You must have to factor that to some extent—no?

Mr Bowen: We do factor it in. We do not have the numbers here but we could look at that for you.

Senator WONG: If you could. Do you want to leave aside the actual figure and take it on notice?

Mr Bowen: We can do that, yes.

Answer

The *Parliamentary Services Act 1999* provides that in the performance of his or her duties the Parliamentary Budget Officer must use the economic forecasts and parameters and fiscal estimates contained in the most recent relevant budget report.

The table below presents the official forecast and projected growth in the terms of trade as at the 2015–16 Budget over the period 2014–15 to 2025–26.

Growth in the terms of trade, 2015–16 Budget

Year	Year on year % growth
2014–15	-12¼
2015–16	-8½
2016–17	¾
2017–18	½
2018–19	¼
2019–20 to 2025–26	0