



Media Release Embargoed until 11:00am AEST, Thursday 11 June 2020

Melbourne Institute Survey of Consumer Inflationary and Wage Expectations

Inflation expectations fall again in June. Actual pay growth is negative.

The expected inflation rate (30-per-cent trimmed mean measure), reported in the Melbourne Institute Survey of Consumer Inflationary and Wage Expectations, fell by 0.1 percentage points in June to 3.3 per cent. The proportion of respondents expecting an increase in prices also fell by 0.8 percentage points in June and is below 50 per cent for the second consecutive month.

Total pay growth over the year to June 2020 was -0.7 per cent, marking it the lowest rate of growth in more than two decades. In June, only 28.3 per cent of respondents reported an increase in total pay, while 25.8 per cent reported a fall. Total pay was expected to grow by 1.8 per cent over the year, suggesting a moderate level of optimism about future pay growth.

The July 2020 Survey of Consumer Inflationary Expectations will be released at 11am AEST, Thursday, 16 July 2020.

ENDS

The Melbourne Institute Survey of Consumer Inflationary Expectations measures are designed to represent the average householder's expected rate of consumer price changes over the coming 12 months. Further information can be found in the attached report or by visiting: <https://melbourneinstitute.unimelb.edu.au/publications/macroeconomic-reports>

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