







Page Title		Unit Launch	Type	Text and Static Image / Graphic	Number	1
Screen Layout						
A thumbnail image of a presentation slide. The slide has a blue background with a low-angle shot of modern glass skyscrapers. The text on the slide includes "PROFESSIONAL BANKING FUNDAMENTALS" at the top, "Chapter 1 – The Business of Banking and the Economic Environment" below it, "The Economic Environment" in a larger font, the "FINSIA" logo in the bottom left, and a "LET'S GET STARTED >" button in the bottom right.						
Event	Audio		On-Screen Text (OST)			
1.			Professional Banking Fundamentals			
			Chapter 1 – The Business of Banking and the Economic Environment			



		The Economic Environment		
		Let's Get Started		



Page Title	Unit Navigation	Type	Text and Static Image / Graphic	Number	2
Screen Layout					
Event	Audio	On-Screen Text (OST)			
2.		<p>This unit will take approximately 15 minutes to complete.</p> <p>To navigate through this unit, there are arrows to continue next and go back.</p> <p>This unit is one of several in the Business of Banking chapter. A Knowledge Check will be provided at the conclusion of the chapter to assist in reinforcing your learning. This does not count towards your final exam</p>			



Page Title		Type	Number
Learning Introduction and Objectives		Animated Text and Static Image / Graphic	3
Screen Layout			
<div><div>PROFESSIONAL BANKING FUNDAMENTALS</div><div><div>The Economic Environment</div><div>Introduction</div><div>Welcome to the Economic Environment unit.</div><div>In this unit we will explore the key indicators of the Australian economy and the role the government plays.</div><div>By the end of this unit you will:</div><div><ul style="list-style-type: none">Be able to describe key economic indicators which measure the Australian economy.Understand the role of the Australian Government and associated policies.</div></div></div>			
Event	Video/Audio	On-Screen Text (OST)	
3.		<div><div>Introduction</div><div>Welcome to the Economic Environment unit.</div><div>In this unit we will explore the key economic indicators of the Australian economy and the role the government plays.</div><div>By the end of this unit you will:</div><div><ul style="list-style-type: none">Be able to describe the key economic indicators used to measure the Australian economy.Understand the role of the Australian Government and associated policies.</div><div>Click next to explore</div></div>	



Unit 6: THE ECONOMIC ENVIRONMENT

Page Title		Type	Animated text and icons		Number	4	
Screen Layout							
<div><div><div>PROFESSIONAL BANKING FUNDAMENTALS</div><div><div>The Economic Environment</div><div><div>As we have explored previously, the banking industry is a key part of the financial system and contributes to the development of the economy. To understand how the economy works, it's important to consider the two levels of economic theory: microeconomics and macroeconomics.</div><div><div>microeconomics</div><div><div>Microeconomics is the study of decisions that people and businesses make regarding the allocation of resources and prices of goods and services. This means taking into account:</div><div><div><div>• Supply and demand and other forces that may impact the price levels in the economy.</div><div>• Taxes and regulation created by governments. For example, microeconomics determines how a specific company could maximise its production and capacity so that it could lower prices and better compete in its industry.</div></div></div><div>Click next to proceed</div></div></div></div></div></div></div>							
Event	Audio	On-Screen Text (OST)					
4.	None	<p>As we have explored previously, the banking industry is a key part of the financial system and contributes to the development of the economy. To understand how the economy works, it's important to consider the two levels of economic theory: microeconomics and macroeconomics.</p> <p>MICROECONOMICS</p> <p>Microeconomics is the study of decisions that individuals and businesses make regarding the allocation of resources and prices of goods and services. This means considering:</p> <ul style="list-style-type: none">• Supply and demand and other forces that may impact the price levels in the economy.					



		<ul style="list-style-type: none">• Taxes and regulation created by governments. <p>For example, microeconomics determines how a specific company could maximise its production and capacity so that it could lower prices and better compete in its industry.</p> <p>Click next to learn about Macroeconomics</p>		
--	--	--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	--	--



Page Title	The Economic Environment	Type	Animated text and icons	Number	5
Screen Layout					
<div><div>PROFESSIONAL BANKING FUNDAMENTALS</div><div><div>The Economic Environment</div><div><div>macroeconomics</div><p>Macroeconomics focuses on issues that affect the economy as a whole and the interaction between economic growth in output and national income, employment and the general level of prices. This means having a focus on key economic indicators such as:</p><ul style="list-style-type: none">• Unemployment rates.• Gross domestic product (GDP).• Inflation.• Exports and imports.<p>In simple terms, macroeconomics examines and quantifies changes in the behaviour of producers and consumers in individual markets, which consequently will have an effect on the macroeconomy and the rate of economic growth, inflation, employment and trade.</p><p>Click next to proceed</p></div></div></div>					
Event	Audio	On-Screen Text (OST)			
5.	None	<p>MACROECONOMICS</p> <p>Macroeconomics focuses on issues that affect the economy as a whole and the interaction between economic growth in output and national income, employment and the general level of prices. This means having a focus on key economic indicators such as:</p> <ul style="list-style-type: none">• Unemployment rates• Gross domestic product (GDP)• Inflation• Exports and imports <p>In simple terms, macroeconomics examines and quantifies changes in the behaviour of producers and consumers in individual markets, which consequently effects the macroeconomy and the rate of</p>			



		economic growth, inflation, employment and trade.		



Page Title	Key Economic Indicators		Type	Animated text and imagery	Number	6
Screen Layout						
<div><div>PROFESSIONAL BANKING FUNDAMENTALS</div><div><div>The Economic Environment</div><div>KEY ECONOMIC INDICATORS</div><div>The Australian Bureau of Statistic (ABS) provides data in the National and International Accounts on key economic indicators which measure Australia's economic activity, such as:</div><div><div>GROSS DOMESTIC PRODUCT (GDP)</div><div>the monetary value of all the finished goods and services produced in Australia in a specific time period.</div><div>BALANCE OF PAYMENTS</div><div>the record of all economic transactions between Australia and the rest of the world in a specified period, i.e. export and import levels.</div><div>NET FOREIGN DEBT</div><div>all financial obligations owed by Australians to other countries.</div></div></div></div>						
Event	Audio	On-Screen Text (OST)				
6.	None	<div>KEY ECONOMIC INDICATORS</div> <div>The Australian Bureau of Statistics (ABS) provides data for the National and International Accounts on key economic indicators which measure Australia's economic activity, such as:</div> <div><div>• Gross Domestic Product (GDP)</div><div>The monetary value of all the finished goods and services produced in Australia in a specific time period.</div><div>• Balance of payments</div><div>The record of all economic transactions between Australia and the rest of the world in a specified period, i.e. export and import levels.</div><div>• Net foreign debt</div></div>				



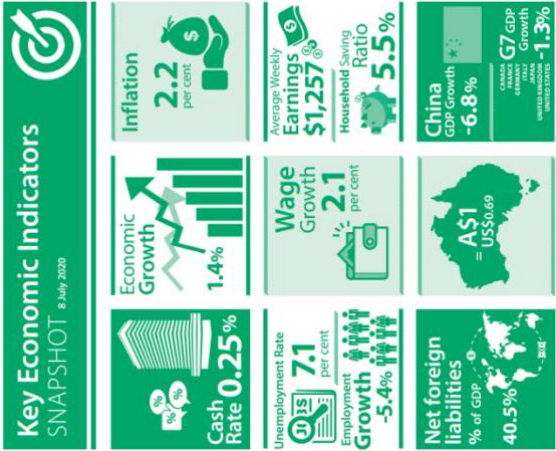
		All financial obligations owed by Australians to other countries, after considering financial obligations owed to Australians by other countries.		



Page Title		Type	Number
Key Economic Indicators		Static Text and Imagery with slide layers for each heading	7
Screen Layout			
Event	Audio	On-Screen Text (OST)	
7.	None	<p>The following indicators are key measures used within financial markets:</p> <p>CONSUMPTION, INVESTMENT and PRODUCTION</p> <ul style="list-style-type: none"> • Retail Sales – an aggregated measure of the sales of retail goods over a specific time period. • Building Approvals – includes construction of new buildings and alterations and additions to existing buildings. • Housing Finance – includes finance provided for construction or purchase of owner-occupied or investment dwellings. <p>PRICES and INCOMES</p> <ul style="list-style-type: none"> • Consumer Price Index – measures quarterly changes in the price of a 	




		<p>representative basket of goods and services.</p> <ul style="list-style-type: none">• Wage Price Index – measures changes in the price of wages and salaries in the Australian labour market.• Average weekly earnings – measures the level of average earnings in Australia at a point in time reflecting the proportion of full-time, part-time, casual employees. <p>LABOUR FORCE</p> <ul style="list-style-type: none">• Unemployment rate – percentage of the total workforce who are unemployed (and looking for a paid job).		
--	--	-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	--	--

Page Title		Type	Clickable infographic	Number	8
Screen Layout					
 <p>The infographic displays various economic indicators for Australia as of July 2020. It includes a title 'Key Economic Indicators SNAPSHOT 8 July 2020' and several data points: Inflation at 2.2% per cent, Economic Growth at 1.4%, Cash Rate at 0.25%, Average Weekly Earnings at \$1,257, Wage Growth at 2.1% per cent, Unemployment Rate at 7.1 per cent, Employment Growth at -5.4%, Household Saving Ratio at 5.5%, China GDP Growth at -6.8%, Net foreign liabilities at 40.5% of GDP, and G7 GDP Growth at -1.3%.</p>					
Event	Audio	On-Screen Text (OST)			
8.	None	<p>Let's have a look at some key facts and figures of the Australian economy and how it compares to the rest of the world.</p> <p>Australia has the 14th largest economy as measured by GDP.</p> <p>Gross Domestic Product (GDP): \$1.99 trillion (World Bank, 2019).</p> <p>As of July 2020, the output of key sectors of the Australian economy each contributed GDP: Health & Education 13%; Mining 10%; Finance 9%; Construction 8%; Manufacturing 6%. (RBA)</p>			



		<p>Australia's labour force: 12.3 million (June 2020).</p> <p>Inflation (CPI): 2.2% (July 2020) and unemployment rate: 7.1% (July 2020). RBA</p> <p>Top export destinations, accounting for around 67% of exports in FY 2019-2020.</p> <ul style="list-style-type: none">• China 31%• Japan 13%• EU 7%• Korea 6%• US 5%• India 5% <p>Sources: World bank; RBA;</p>		
--	--	-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	--	--



Page Title	The Role of Government	Type	Static Text and Imagery with click and reveal	Number	9
Screen Layout					
					
Event	Audio	On-Screen Text (OST)			
9.	None	<p>The government plays an important role in the economy by promoting economic growth and stability to promote a productive society through:</p> <ul style="list-style-type: none"> • Legal and policy frameworks Regulation designed to promote fairness and transparency. • A stable environment for business activities Maintaining growth and price stability. Promoting employment through adjusting fiscal policy as well as by controlling credit and the supply of money through government monetary policy. • Support to businesses and individuals Investing in infrastructure such as roads, 			



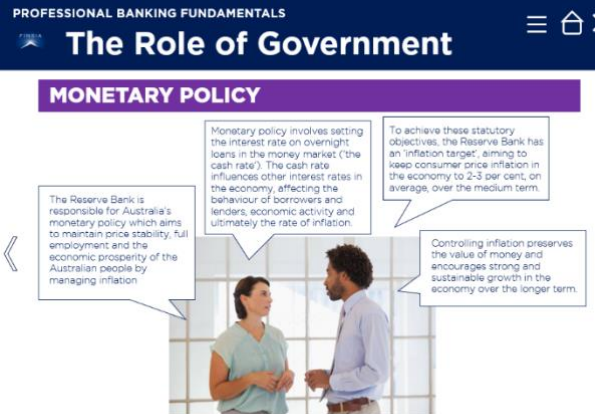
		<p>communication networks, education, training and health care.</p> <p>We will look at the legal and regulatory environment in greater detail later in the program.</p> <p>Let's now have a look at the two types of government economic policies.</p>		
--	--	--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	--	--



Page Title	The Role of Government		Type	Animated text. Click and reveal.	Number	10
Screen Layout						
<div><div>PROFESSIONAL BANKING FUNDAMENTALS</div><div><div>The Role of Government</div><div><p>The government uses two different policies to control the economic environment, Fiscal and Monetary policy. Lets have a look at both.</p><div>FISCAL POLICY</div><p>Fiscal policy is government spending and taxation that influences the economy. The annual budget outlines the government's revenue and spending activities which cover:</p><div><div><p>Revenue Sources</p><p>collecting taxes and borrowing funds.</p></div><div><p>Spending Activities</p><p>e.g. capital projects, welfare payments, defence spending.</p></div></div><p>These activities influence the purchasing power and spending patterns of households and business which has an impact on the economy. For example, if the government increases taxes, households and businesses have less surplus funds for spending, leading to less demand for goods and services, and ultimately lower economic growth.</p><div><div>Did you know?</div><p>If the government spends more than it collects, this is a budget deficit; if the government collects more than it spends, this is a budget surplus.</p></div></div></div></div>						
Event	Audio	On-Screen Text (OST)				
10.	None	<p>The government uses two different policies to control the economic environment, Fiscal and Monetary policies.</p> <p>Let's have a look at both.</p> <p>FISCAL POLICY</p> <p>Fiscal policy is government spending and taxation to influence the economy.</p> <p>The annual budget outlines the government's revenue and spending activities which cover:</p> <ul style="list-style-type: none">• Revenue sourcesCollecting taxes and borrowing funds.• Spending activities				



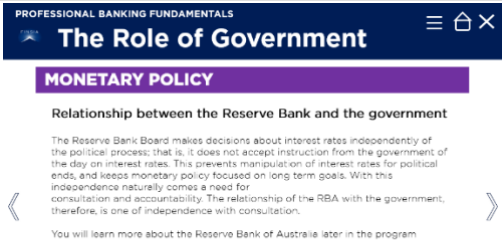
		<p>For example, capital projects, welfare payments, defence spending.</p> <p>These activities influence the purchasing power and spending patterns of households and business which in turn have an impact on the economy. For example, if the government increases taxes, households and businesses have fewer surplus funds for spending, leading to less demand for goods and services, and ultimately lower economic growth.</p> <p>DID YOU KNOW? If the government spends more than it collects, this is called a budget deficit; if the government collects more than it spends, this is called a budget surplus.</p>		
--	--	----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	--	--

Page Title	The Role of Government	Type	Static image and heading. Animated text boxes on sequenced timeline.	Number	11
Screen Layout					
					
Event	Audio	On-Screen Text (OST)			
11.	None	<p>MONETARY POLICY</p> <p>The Reserve Bank is responsible for Australia's monetary policy which aims to maintain price stability, full employment and the economic prosperity of the Australian people by managing inflation.</p> <p>Monetary policy involves setting the interest rate on overnight loans in the money market ('the cash rate'). The cash rate influences other interest rates in the economy, affecting the behaviour of borrowers and lenders, economic activity and ultimately the rate of inflation.</p>			



		<p>To achieve these statutory objectives, the Reserve Bank has an ‘inflation target’, aiming to keep consumer price inflation in the economy to 2-3 per cent, on average, over the medium term.</p> <p>Controlling inflation preserves the value of money and encourages strong and sustainable growth in the economy over the longer term.</p>		
--	--	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	--	--



Page Title	The Role of Government		Type	Static heading. Animated text.	Number	12
Screen Layout						
						
Event	Audio	On-Screen Text (OST)				
12.	None	<p>Relationship between the Reserve Bank and government</p> <p>The Reserve Bank Board makes decisions about interest rates independently of the political process; that is, it does not accept instruction from the government of the day on interest rates. This prevents manipulation of interest rates for political ends, and keeps monetary policy focused on long term goals. With this independence naturally comes a need for consultation and accountability. The relationship of the RBA with the government, therefore, is one of independence with consultation.</p> <p>You will learn more about the Reserve Bank of Australia later in the program</p>				



Page Title	Completion/Next Steps	Type	Static text/ Clickable buttons	Number	13
Screen Layout					
<div><div>PROFESSIONAL BANKING FUNDAMENTALS</div><div><div>The Economic Environment</div><div><div>Well done!</div><div>You have completed the The Economic Environment Unit</div><div>What would you like to do now?</div><div><div>Click here to see next unit</div><div>Click here to review this unit</div></div></div></div></div>					
Event	Audio	On-Screen Text (OST)			
13.		<div>Well done. You have now completed the Economic Environment unit.</div> <div>What would you like to do now?</div> <div>Click here to see next unit.</div> <div>Click here to review this unit.</div>			