**Task:** On February 20 this year, the International Monetary Fund (IMF) stated that "wage growth is weak and inflation is below its target range" for the Australian economy. What risks does a slow growth rate in wages pose to the Australian economy, and why are economists and governments so eager to see a general rise in wages for everyone?

The following theories in Macroeconomics to analyse this topic:

* Unemployment
* Inflation
* The RBA

Use of **graphs and diagrams** in your essay is highly encouraged, as this will display to the marker your understanding and ability to analyse a highly topical issue in Macroeconomics. When **incorporating graphs** into your essay, please adopt the **following three criteria:**

1. original (not a screenshot from your text) incorporating labels;
2. correctly applied; and
3. adds to your analysis

Additionally, this **essay** should be submitted in essay format, using **Harvard style referencing**. It is also expected that you include at least 5 sources in your essay. Suggested sources include**, journal articles (peer-reviewed) from the library's online databases, and websites, as long as they are reputable (major media sources, government websites (ABS, RBA, IMF etc).**

As an example, a suggested format for your essay is as follows；

1. Introduction
2. Discussion of low wage growth in Australia **(using appropriate data)**
3. Risks of low wage growth
   * Theory 1-INFLATION
   * Theory 2-UNEMPLOYMENT
   * (Theory 3)- The RBA (RESERVE BANK AUSTRALIA)
4. Conclusion
5. Bibliography
6. (Appendices)