

Senate Standing Committee on Economics
ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Inquiry into Treasury Laws Amendment (Reserve Bank Reforms) Bill 2023

Department: Department of the Treasury
Topic: Submissions regarding section 11
Reference: Spoken (22 February 2024)
Senator: Nick McKim

Question:

Senator McKIM: I'm not asking you to identify submitters, but could you take on notice whether any of the unpublished submissions contained a recommendation that section 11 be repealed, and, if so, how many?

Mr Yeaman: We can do that. I'll make one point and come back to an earlier point. A large part of what the review did was to look at other examples across the world and see what best practice looked like, so, in a way, it wouldn't be necessary for the Federal Reserve to make a submission to this inquiry. But there were certainly discussions with them about their powers and how that would operate. I don't think it was the case that it had to be put forward by someone; they've looked at best practice around the world.

Senator McKIM: I understand that, but the panel was abjectly unable to answer my question as to where this idea arose. In the end they said it arose through conversations among panel members. Anyway, I appreciate that you've taken it on notice.

Answer:

It is not appropriate to reveal what is contained in fully confidential submissions to the RBA Review.

In an expert report to the Review, Professor Andrew Levin recommended that monetary policy decisions should not be subject to any potential override by government. Professor Levin was commissioned by the Review to produce a report on monetary policy frameworks and central bank governance. His report is available at <https://rbareview.gov.au/resources>.