



Next Reserve Bank hearing in Canberra

9.30am, Friday, 19 February 2010

The House Economics Committee presented its report on the *Review of the Reserve Bank of Australia Annual Report 2008 (Second Report)* on 16 November. This report provides a summary of key issues raised at the public hearing with the Reserve Bank of Australia on 14 August 2009.

The Committee Chair Craig Thomson commented “that while the Reserve Bank’s approach to monetary policy during the height of the global financial crisis showed sound leadership the period ahead is no less challenging. It is now apparent that the Bank has turned to its core objective of inflation targeting. The Bank’s objective is now to lift rates to a ‘normal’ or neutral setting that will provide for long term growth and core inflation in the target band.”

The bank must be certain that any rate rises during the next 12 months do not work against the economy’s return to trend levels of growth. Conversely, the Reserve Bank needs to ensure that inflationary forces are kept in check and that medium to long term inflation is forecast to be in the target band.

These challenges are why the next hearings with the Reserve Bank in February and later in August 2010 are significant. The Reserve Bank has an important responsibility to the Australian community and it will need to account for its performance particularly during the cycle ahead.

Public Hearing Details

Committee: House of Representatives Standing Committee on Economics

Venue **The Main Committee Room, Parliament House, CANBERRA**

Date: Friday, 19 February 2010

Time: 9.30am to 12.30pm

Webcast: The hearing will be webcast live on
<http://webcast.aph.gov.au/livebroadcasting/>

The full report may be found at:

<http://www.aph.gov.au/house/committee/economics/rba2008/report.htm>

To arrange media comment: Please contact the committee chairman, Mr Craig Thomson on (02) 6277 4460 or 0419 498 691 (mobile).

For further information: Please contact the committee secretariat on (02) 6277 4564, email economics.reps@aph.gov.au or visit online from the committee’s website <http://www.aph.gov.au/economics/index.htm>