



Reserve Bank Governor to front House Economics Committee in Sydney this week

9.30am to 12.30pm, Friday, 7 March 2014

The House of Representatives Economics Committee will hold a public hearing with the Governor of the Reserve Bank of Australia, Mr Glenn Stevens, in Sydney from 9.30am to 12.30pm this Friday, 7 March 2014.

This is the first of two public hearings to be held with the Governor this year, as part of the RBA's accountability framework.

In its February Statement on Monetary Policy the RBA stated that the Australian dollar had depreciated by about 5 per cent since the November 2013 Statement, and that 'if sustained, lower levels of the exchange rate will assist in achieving balanced growth in the economy'.

The RBA also noted the decline in mining investment over the past year and stated its expectation that it would fall further over the next few years.

Since August 2013, the RBA Board has held the cash rate steady at 2.5 per cent. In a statement made after the RBA Board's 4 March meeting, the Governor stated that there is likely to be a period of stability in interest rates. The Bank expects unemployment to rise further before it reaches its peak and growth to strengthen over time, assisted by low interest rates and the low exchange rate. Inflation is forecast to be consistent with the 2 to 3 per cent target over the next two years.

On the international front, there are signs of a gradual recovery in the Euro area. Economic growth in China in 2013 remained slightly above the government's target of 7.5 per cent, and the recovery in the US economy strengthened in the second half of 2013.

The Committee looks forward to exploring these issues and others in more detail with the Governor. In particular, the Committee will be interested in the RBA's views on the recent G20 accord to increase global growth by two per cent above the current trajectory over the next five years and the policy settings that will be needed to achieve this.

Public Hearing Details

Committee:	House of Representatives Economics Committee
Inquiry	Inquiry into the Reserve Bank of Australia Annual Report 2013
Venue	Ionic Room, Sydney Masonic Centre, 66 Goulburn Street, Sydney
Date:	Friday, 7 March 2014
Time:	9.30am to 12.30pm
Webcast:	The hearing will be webcast live (audio only) http://www.aph.gov.au/live

For media comment: Please contact the Committee Chair, Kelly O'Dwyer MP:

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