



ATT: National Media – Diary Reminder

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**Reserve Bank Governor to appear before
the House Economics Committee**

Are interest rates on hold or heading down?

At the last public hearing in February 2005, a great deal of attention was given to whether or not interest rates were about to rise. The following month, the Reserve Bank lifted interest rates by 25 basis points.

The House of Representatives Economics committee will be asking the Reserve Bank about the decision to raise interest rates and the factors that influenced that decision. In particular, the committee will be keen to hear from the Governor of the Reserve Bank, Ian Macfarlane, about whether similar conditions are likely to prevail or whether pressure on future rate rises has diminished.

At the previous hearing much attention was given to the supply-side bottlenecks and conflicting economic signals. These matters will be pursued again at the August hearing along with the progress made in relation to Payments System Reform.

These are just some of the areas of questioning that will be pursued next week on **Friday 12 August in Melbourne** when the House Economics Committee holds a public hearing with Reserve Bank Governor Ian Macfarlane and other representatives of the Reserve Bank at **Dallas Brook Hall from 10am to 1pm**.

The Chair of the House Economics Committee, Bruce Baird, says the committee plays an important watchdog role overseeing the decisions of such an influential independent statutory body as the Reserve Bank.

“These hearings provide an important forum for the parliament to discuss keys issues with a major agency in relation to the Australian economy,” Mr Baird said. “The Reserve Bank reports to parliament through its various annual reports and other bulletins, but this parliamentary process makes them more accountable – to review their decisions and question their outlook.”

The House Economics Committee holds two public hearings each year with the Reserve Bank. They are key public forums at which the Governor of the Reserve is obliged to publicly answer questions about bank policy, including the outlook for interest rates.

WHO:	Reserve Bank of Australia questioned by House Economics Committee
WHAT:	Public Hearing
WHERE:	Promenade Room, Dallas Brook Hall , 300 Albert Street, East Melbourne
WHEN:	Friday 12 August 2005, 10.00am - 1.00pm

For background information: Please contact Committee secretariat on (02) 6277 4564 or email efpa.reps@aph.gov.au.

For media queries about hearing arrangements: Please contact the House of Representatives media adviser, Andrew Dawson, on (02) 6277 2063 or mobile 0401 143 724.