



Next Reserve Bank hearing in Canberra

9.30am, Friday, 27 August 2010

The House Economics Committee presented its report on the *Review of the Reserve Bank of Australia Annual Report 2009 (First Report)* on 18 March. This report provides a summary of key issues raised at the public hearing with the Reserve Bank of Australia on 19 February 2010.

The Committee Chair Craig Thomson commented that “The Australian economy has performed exceptionally well and suffered less from the impact of the global financial crisis than most other advanced economies. The February 2010 hearing was set against optimistic forecasts for growth and stability. It is notable that Australia was one of the few advanced economies not to fall into recession.”

During the hearing, the committee examined the RBA on the key forecasts for the economy focusing on inflation and growth and their influence over the policy cash rate during the next 12 months. The committee examined some of the possible constraints to growth and possible impacts which could lead to inflationary pressures.

The committee also dealt with the public claim that Australia might be at risk of defaulting on its sovereign debt. The committee was of the view that a claim like this is irresponsible and has the potential to undermine the economy. The Reserve Bank Governor Glenn Stevens advised that ‘there has never been an event of sovereign default by Australia as far as I know, and I very much doubt there ever will be.

Public Hearing Details

Committee: House of Representatives Standing Committee on Economics

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

Date: Friday, 27 August 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/rba2009/index.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>