

# Media Release



For immediate release 20 April 2023

## REIA SUPPORTS PROPOSED CHANGES TO RBA

The Real Estate Institute of Australia (REIA) supports the recommendations made by the Review of the Reserve Bank of Australia.

REIA President, Mr Hayden Groves, said the broadening of the objectives to include employment, the appointment of external economists specialising in macroeconomics, finance and the labour market, a reduction in the frequency of meetings and increased collaboration with Treasury will lead to better decisions and economic and personal outcomes.

“Of the 51 specific recommendations, which have been banded into 14 broad categories, there are a number that are particularly important in changing the current approach. These are:

- Dual monetary policy objectives of price stability and full employment, with equal consideration given to each. The economic prosperity and welfare of Australians now and in the future should be an overall purpose for the RBA.
- Explaining how the RBA is balancing its two monetary policy objectives, including how long inflation is expected to be materially away from the midpoint of the target and why, and how long labour market conditions are expected to deviate from full employment and why.
- Assess future expected impacts and communicate these.
- Increased joint work between Treasury and the RBA on the relative roles of fiscal and monetary policy.
- A Monetary Policy Board with greater economic expertise.
- Meeting eight times a year instead of the current eleven, allowing for more data to be available on the state of the economy before decisions are made.

“Whilst the recommended changes will not eliminate fluctuations in economic activity, the impact of external shocks and, importantly, housing supply and affordability they will, if implemented, reduce the amplitude of the cycles. Something which would have helped steer a better course in the post Covid era,” concluded Mr Groves.

## ENDS

For any further information please contact media consultant Olwyn Conrau 0413 600 350 [Olwyn.conrau@reia.com.au](mailto:Olwyn.conrau@reia.com.au)

Established in 1924, REIA is a federated body of State & Territory Real Estate Institutes representing 85% of Australian real estate agencies. We are a national advocate for the Australian real estate industry which is made up of 46,793 Australian businesses that employs 133,360 Australians. For more information visit [www.reia.com.au](http://www.reia.com.au)