

# CAMA RBA SHADOW BOARD – COMMENTS

## AUGUST 2023

Each CAMA RBA Shadow Board member is invited (but not obliged) to provide a personal comment on monetary conditions. Neither the comments nor the probabilities constitute financial advice. The views of the Shadow Board members are not those of CAMA. Any individuals utilizing these comments, or the probabilities, do so at their own risk.

### SALLY AULD

No comment.

### BESA DEDA

No comment.

### BEGOÑA DOMINGUEZ

No comment.

### MARIANO KULISH

No comment.

### GUAY LIM

No comment.

### WARWICK MCKIBBIN

No comment.

### JAMES MORLEY

Inflation has clearly peaked in 2023Q1. The RBA can let the effects of past hikes in rates play out to bring inflation down further.

### JOHN ROMALIS

No comment.

### PETER TULIP

Much of the public opposition to further rate increases seems to assume that current unemployment rates are sustainable. The ACTU and left-wing think tanks argue that tight labour and housing markets will not lead to accelerating wages, prices and rents.

That is contrary to what happened in 2008 and the 1970s and to overseas experience. It is possible that relationships have changed, but I am not aware of any modelling or other research indicating this is likely, just wishful thinking.

This opposition to policy tightening rests on a refusal to make difficult decisions or to accept unpleasant trade-offs.