

Philip Lowe: Remarks at a Reserve Bank Board dinner with members of the Sydney community

Speech by Mr Philip Lowe, Deputy Governor of the Reserve Bank of Australia, at a dinner with members of the Sydney community, Sydney, 6 September 2016.

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Good evening.

On behalf of the Reserve Bank Board, I would like to warmly welcome you all to this dinner. These dinners, which we hold in all the state capitals, have become one of the highlights of our calendar. They provide a fantastic opportunity for us to talk with leaders from the worlds of business, politics, academia and the community sector. So thank you all for taking the time to join us this evening.

This particular dinner marks a very special occasion. Earlier today, Glenn Stevens chaired his final – and 110th – meeting of the Reserve Bank Board. As you probably know, Glenn has been the Governor of the RBA for 10 years. Before that he was the Deputy Governor for five years. And before that he was the chief economic advisor to the Board for more than five years. All up, he has attended 215 meetings of the Board over some 20 years. Glenn has also attended and chaired 41 meetings of the Payments System Board. I am delighted that many of the current and former members of both boards who have served under Glenn are here this evening.

Given the sheer scale of Glenn's contribution, it is appropriate to begin this dinner by delivering – on behalf of us all – a few words of tribute to him. After that, and after we have had our entrée, the Treasurer, the Hon. Scott Morrison MP will speak and then Glenn will say a few words. That will bring the formalities to a close and then we will enjoy the rest of the meal and conversation.

Many of you may know Glenn personally. Those of you who don't know him might feel like you do: there are few Australians whose public utterances are so closely scrutinised and so widely covered by our media. But whether you know him personally, or through the media, I am sure you will have formed the same impression of Glenn.

That is of an incredibly dedicated servant of the public over a career that spans 36 years, and a man of the highest integrity. Glenn has relentlessly served the interests of the Australian people. He has brought a very high level of analytical rigour to the task. He has exercised an independence of thought that is not always seen in public life. He has patiently explained difficult economic issues to Australians. He has talked to us about the challenges that Australia faces, but also the opportunities we have. In a world where optimism has sometimes been in short supply, he has more than once reminded us that the glass is at least half full. He has been deliberate, logical, thoughtful and measured in his remarks. He has done this all without fear or favour. He is a man of courage, prepared to say things that are true, even when they are not popular. And last – but not least – he helped successfully navigate our economy through the biggest resources boom in a century and a global financial crisis.

Glenn, I could pay no higher tribute to you than to say that you have rightfully earned the trust of the Australian people. This was acknowledged a few months ago when you were awarded the Companion of the Order of Australia in the Queen's Birthday Honours for 2016. An honour, richly deserved.

While Glenn's strengths are many, I doubt he himself would include his comedic skills on the list. Underneath that exterior, though, is a seriously dry sense of humour. I recall only one time when Glenn tried a joke in public. That was in July 2013, when he started a speech by saying 'As some of you may know, the Reserve Bank Board meeting was in Brisbane

yesterday at which we deliberated for a long time ... to leave the cash rate unchanged'. The market thought the reference to "a long time" was Glenn's way of sending a secret message in central bank code that the Board would probably cut interest rates the next month. The exchange rate immediately responded by falling by around a cent. The truth was that Glenn was just drawing attention to the fact that some might think it curious, even humorous, that after all the hype surrounding a meeting of the Reserve Bank Board, we did precisely ... nothing. I would have to say that Glenn was not particularly pleased with the media coverage of his comedic efforts that day, as they overshadowed another very thoughtful speech. After this unsuccessful attempt, I don't recall subsequent efforts at humour in public. A practice I hope to continue.

So that is the Glenn you see publicly: a serious and courageous man of the utmost integrity who has dedicated his life to the task of serving the public interest.

Of course, much of the time Glenn is not in the public eye. Instead, he is quietly and efficiently running the Reserve Bank. While most people don't see that, I, and my colleagues, do every day. So I just want to draw your attention to three aspects of that work that speak to the man.

The first is Glenn's dedication to the task. It has not been unusual for him to spend a full day at 65 Martin Place, have an official dinner in the evening and then go home and join an international conference call starting at 11pm to discuss some arcane regulatory issue. And then after getting to bed in the small hours of the morning he is back in the office early to lead our regular morning discussions of overnight developments in global markets. He has put in a herculean effort.

The second is Glenn's relentless commitment to work of the highest standard. At the Reserve Bank we pride ourselves on producing work of the highest quality: whether in our written work or in the way we operate key parts of the national financial infrastructure. Glenn – in his unassuming style – has led the way here. Through his example, he has encouraged us to be the best we can be, and to be worthy of the trust that the public has put in our institution.

The third is Glenn's open and consultative style. As you can imagine, in an institution with lots of economists there are lots of opinions too! Glenn has managed this with great aplomb. He is always ready to listen and to seek out alternative perspectives. He has chaired both the Reserve Bank Board and the Payments System Board in the same way. We have all benefited from his inclusive and consultative manner.

In short, what you see externally is what my colleagues and I see internally as well. He is going to be a darn hard act to follow!

Before I finish, I also want to acknowledge the contribution of Glenn's wife, Sue Stevens, who is also here this evening. I know Sue has been a fantastic support to Glenn. Sue has had to endure her husband working very hard and constantly being in the public spotlight. Sue, you have done this with great dignity and quiet grace and you should be immensely proud of what you and your husband have accomplished. Thank you.

Finally, could I ask you to be upstanding for a toast.

Glenn, on behalf of all of us here tonight, and more importantly, on behalf of the 24 million Australians whom you have served so well, thank you. Glenn Stevens.