

Media Release



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RATE RISE THREAT TO PROPERTY MARKET RECOVERY

The RBA's move to raise interest rates has been labeled premature and a threat to the property market recovery in WA by the Urban Development Institute of Australia (UDIA).

"The latest ABS data shows that established home prices increased 9.4% in Perth in the last 12 months," UDIA CEO Debra Goostrey said.

"This was a very positive sign for underlying strength in the property market, however confidence is still shaky, sales remain subdued and this rate rise will only rock confidence even further," Ms Goostrey said.

"The property sector is the largest employer in this state and contributes billions to WA's economic output each year," Ms Goostrey said.

"It is imperative to the long term growth of the WA economy that we have a healthy property market supported by steady rates."

"UDIA calls on the RBA to make this the last rate rise for at least the rest of the year and early next year to foster consumer confidence," Ms Goostrey said.

"The strength of our economy is extremely reliant on the movement of rates at this time as home owners and potential home buyers feel the pinch."

End.

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