

Media Release



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BANKS SHOULD HOLD RATES STEADY

The Urban Development Institute of Australia (UDIA) has made a plea to major banks to keep their rates steady in line with the Reserve Bank's decision to hold the official cash rate at 4.5%.

"A number of economists are predicting that the major banks are considering raising their mortgage rates despite the RBA's decision to leave rates on hold," UDIA CEO Debra Goostrey said.

"This is very concerning to us as the real estate market is still in recovery mode," Ms Goostrey said.

"Property is a major contributor to the economy representing over half of the private investment in Australia and employing 975,700 (FTE) nationally," Ms Goostrey said.

"We cannot afford to jeopardise the recovery of the sector through rate rises above movements in the cash rate," Ms Goostrey said.

"We support the RBA's decision and hope that the major banks and lending institutions will follow suit," Ms Goostrey said.

End.

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