

Media Release



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WA WILL SUFFER FROM EAST COAST CENTRIC DECISION MAKING: UDIA

The Urban Development Institute of Australia (UDIA WA) has warned that any moves at a national level to curb property market growth on the east coast could have dire consequences for Western Australia.

“RBA minutes out today have raised concerns regarding what they conceive as a ‘build-up of risk’ across the housing market due to a surge in investment borrowing and rapid house price gains in Sydney and Melbourne,” UDIA CEO Allison Hailes said.

“This is in conjunction with comments made a few days ago by the RBA’s Assistant Governor that regulators may have to impose even tighter constraints on lenders,” Ms Hailes said.

“This sort of commentary, that is very much eastern states focused, ignores the fact that conditions in Western Australia are completely different,” Ms Hailes said.

“Australian Bureau of Statistics (ABS) figures out today show that Perth Property Prices had the slowest growth in the country during the December 2016 quarter at just 0.3 per cent,” Ms Hailes said.

“The figures also show that for the 12 months to December 2016, Perth’s property price fell 4.1 per cent,” Ms Hailes said.

“Restricting access to finance for home buyers in WA will only punish an already suffering WA market,” Ms Hailes said.

“National regulators, as well as the banking sector, must ensure that any decisions made take heed of the differing markets on the east and west coast,” Ms Hailes said.

“We can’t have decision makers taking an east coast centric view and making decisions that do not take into consideration the fact that WA continues to feel the impact of the downturn in the mining sector, reduced population growth and therefore a decline in demand for property in the current market,” Ms Hailes said.

End.

The minutes from the RBA Board Monetary Policy Meeting on March 7 can be found [here](#).