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## Steady Rates a Positive for Housing, Says HIA

Today's decision by the Reserve Bank Board to keep the official cash rate on hold provides a confidence boost to the residential sector, says the Housing Industry Association (HIA), the voice of Australia's residential building industry.

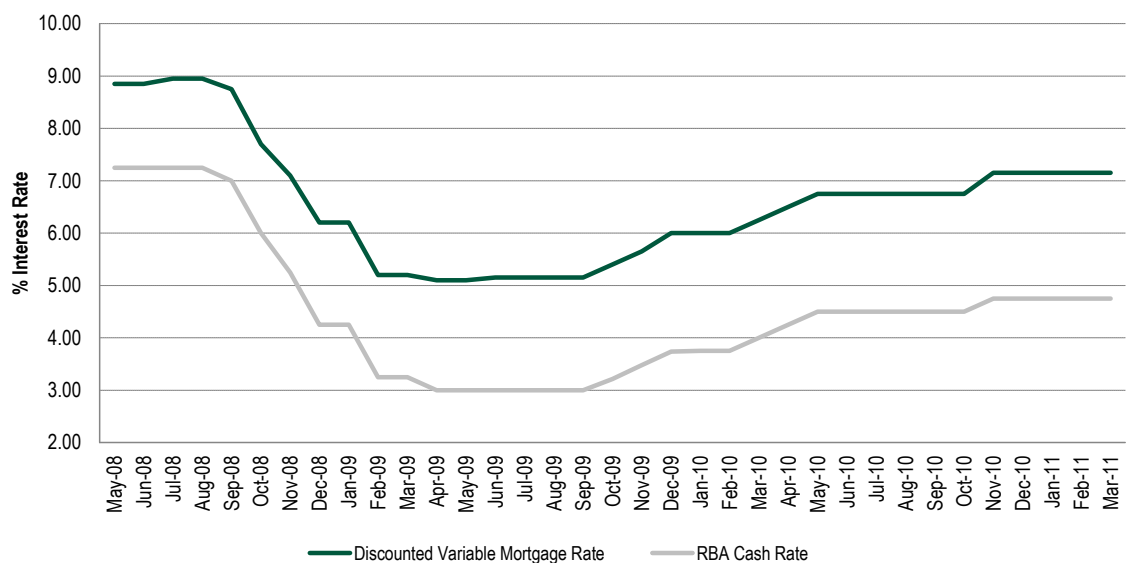
"Residential construction activity has been buckling under the weight of a range of factors, not the least being the already restrictive level of mortgage and business loan interest rates," said HIA Senior Economist, Andrew Harvey.

"Australia's new home building market needs an extended period of interest rate stability to create an environment where confidence and activity have the opportunity to improve. It is appropriate that the Reserve Bank is signalling, through a consistent message, such a period of steady rates," Mr Harvey noted.

"Against this backdrop, and with building sector labour and materials more accessible than in periods of peak activity, we are seeing a lift in consumer interest for both new home building and renovations," added Andrew Harvey.

Interest Rates, Australia

Source: RBA



### For further information:

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