

## Builders want cuts

THE housing industry is disappointed the central bank has left the cash rate unchanged, saying more relief is needed to lift the confidence of business and households.

As expected, the Reserve Bank of Australia kept the cash rate at its all-time low of 2.75 per cent after its monthly board meeting yesterday.

RBA governor Glenn Stevens said the board had decided the monetary policy setting was appropriate.

"The board also judged that the inflation outlook, as

currently assessed, may provide some scope for further easing, should that be required to support demand," he said.

But Housing Industry Association senior economist Shane Garrett was disappointed there wasn't a follow-up reduction after the surprise rate cut in May.

"A reduction in rates would certainly have been warranted," he said. "Inflation is well within target, while economic activity is struggling in many important sectors like home building."

**BusinessDaily starts Page 35**