



National Retail Association

MEDIA STATEMENT

31 March, 2010

Retail figures show growth has stalled

The National Retail Association today called on the Reserve Bank to resist increasing official interest rates after new retail trade data showed growth in the sector had stalled.

NRA Executive Director Gary Black said retail trade data released by the ABS today showed retail turnover had not grown as expected in February, but had in fact fallen by 1.4 per cent.

Mr Black said retail spending had been highly volatile in recent months, with no clear evidence of growth in the sector.

“Consumer spending clearly remains sluggish, and the recovery is perhaps not as strong as many people believe,” Mr Black said.

“In that case, we would be deeply concerned by a Reserve Bank decision to increase the official cash rate when the Board meets next Tuesday.

“We urge the Bank board to hold off any increase for at least another month, until a clearer picture emerges of the direction of the economy.”

Mr Black said feedback from within the retail sector indicated many small businesses were struggling, and were far from experiencing a recovery in consumer spending.

“A rate rise now would place many of those businesses, and their employees, at risk.”

Gary Black is available for interviews. Contact Malcolm Cole on 0408 612 603