

Tuesday 7 March 2023

RBA makes wrong call on 10th straight rate rise

The ACTU calls on the RBA Board to stop hurting workers with interest rate rises after its 10th consecutive interest rate rise today. Today's increase of 0.25% will increase repayments by \$90 a month on the average mortgage of \$600,000.

Ordinary Australians are already struggling to get by on wages that are not keeping pace with inflation, and today's rate rise will only intensify the immense pressures mortgage holders and renters are already under.

Working people are being punished for inflation while the real driver, corporate profits fueled by price rises, are surging. Any savings working people had accumulated have been wiped out over the past 10 months.

In a further sign that rate rises have already done enough damage, inflation has peaked, economic growth has slowed, unemployment is rising, and consumer confidence is at rock bottom. Many people are still to feel the full effect of the nine rate rises, let alone the 10th.

There is no wage-price spiral. It's time to cease interest rate rises and call on corporate Australia to immediately moderate their profit expectations.

Quotes attributable to ACTU Secretary Sally McManus:

"The RBA concedes that inflation has peaked, the economy is slowing, unemployment is rising and household consumption has slowed. Yet it is still forcing more pain on working people. It's time it stopped. And it is time big business in our country stopped price gouging.

"Real wages are going backwards dramatically, unemployment is rising and what savings people had have been eaten up by price gouging and interest rate rises. This means people are skipping meals, avoiding going to the doctor and are dreading the next bill. Real people are behind the statistics and they are hurting.

"Working people are being punished for a problem they did not cause. Big business needs to remember they are part of Team Australia and reduce their prices. Everyone can see too many big businesses have increased prices more than they need to. Every profit announcement reinforces what everyone suspects – price gouging. Angering customers is not good for business in the medium and long term.

"Between the RBA and big companies, the average Australian is bearing all the pain of a situation they did not cause and have little control over."

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