

Tuesday, 4 July 2023

ACTU welcomes pause on interest rates

The ACTU welcomes the Reserve Bank of Australia's decision to hold the cash rate at 4.1%, but warns that the rate pause today is small comfort to workers bearing the brunt of inflation and low wage growth over the last decade.

Cost of living pressures on working people have been considerable, and while the ACTU welcomes the decision of the RBA today, payments on an average mortgage of \$600,000 will have increased by up to \$1496 a month since the rate rise in May 2022, causing many workers to struggle to keep up with payments. In addition, rises are also being pushed onto renters who are already struggling in an unprecedented housing crisis.

Quotes attributable to ACTU Secretary Sally McManus:

“Another rate rise would have seen already stretched family budgets cut to the bone.

“A pause in the rate rises provides some small relief to workers out there doing it tough.

“We are still very mindful however, that workers have fallen way behind.

“From 2013-2023 Australian workers suffered the lowest wage growth on record and in fact real wages are now 3.1% lower than they were in 2013.

“We know that workers have borne the brunt of inflation and these rates rises, while corporate profits have risen, and CEO pay packets grown.”

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Media: Gareth Hathway 0499 878 782