

Tuesday, 3 October 2023

Unions welcome RBA rates hold

The ACTU welcomes the Reserve Bank of Australia's decision to retain the cash rate at 4.1%.

Whilst today's announcement is reassuring for millions of working people who experienced higher mortgage repayments and rents over the past year, the ACTU warns against further rate rises following speculation concerning the ABS' latest CPI figures.

In this environment of uncertainty and profit-driven inflationary pressures, the RBA has an opportunity to restore public confidence by prioritising its objective of full employment, as outlined in the federal government's recent Employment White Paper.

The Employment White Paper highlighted the need to capture underemployment and underutilisation as part of an objective of 'sustained and inclusive full employment.'

The ACTU welcomes the RBA's recent endorsement of the White Paper's definition of full employment and their assessment that it will not be an impediment to containing inflation.

Quotes attributable to ACTU Secretary Sally McManus:

"The union movement welcomes the RBA's decision to keep rates on hold. This will give millions of working families some breathing room at a time when they're experiencing immense financial stress.

"It's reassuring to see the RBA hasn't hit working people with another cash rate hike when evidence shows that corporate profits are driving higher prices.

"We call on big business to drop their prices and stop fattening their profits. Australians well remember that workers sacrificed and pulled together for "Team Australia" during the pandemic. The fact that many CEOs are not prepared to pay this back to help ordinary Australians afford their bills is a source of deep disappointment and growing anger.

"Not only are many big businesses keeping prices too high, they are insisting on keeping wages low. Corporate lobbyists are currently trying to convince Australians that they should be allowed to continue to use legal loopholes to cut working people's pay, and they are being supported by Michaelia Cash and the Coalition. Everyone should be pulling in the same direction to support working Australians at this time."

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