

Wednesday 29 November 2023

Government intervention helping with cost of living, but big business need to do their part

Today's CPI figures show that inflation eased to 4.9 percent year-on-year in October, down from 5.6 percent in September, according to the Australian Bureau of Statistics.

One of the drivers of this slowdown were policies by the Albanese government to tackle the cost-of-living crisis, including the increase in Commonwealth Rent Assistance and the introduction of the Energy Bill Relief Fund rebates for eligible households from July.

Rental price growth year-on-year slowed from 7.6 percent in September to 6.6 percent in October, reflecting the impact of higher Commonwealth Rent Assistance. The ABS noted that excluding the changes to Rent Assistance, rents would have risen 8.3 per cent in the twelve months to October.

Similarly, the government's new Energy Bill Relief Fund helped slow the rise in electricity prices from 18.0 percent year-on-year in September to 10.1 percent in October.

Despite the cooling of inflation in housing and energy, Food and non-alcoholic beverage prices rose 5.3 percent, up from 4.7 percent in September.

In November, consumer advocacy group Choice awarded Coles and Woolworths a Shonky award in recognition of "cashing in during a cost-of-living crisis."

Quotes attributable to ACTU Secretary Sally McManus:

"Workers will be relieved to see interventions by the Albanese government to take the pressure off their biggest outgoings. Rent and energy are big-ticket items in the monthly budgets of working people, so the government's policies are of great help.

"What isn't helping is the prices people are paying at supermarkets. Whilst Coles and Woolies boast of mammoth profits, they refuse to do their part by dropping their prices. The Allan Fels led ACTU Price Gouging Inquiry is hearing heartbreaking stories of people going without basic goods and paying exorbitant prices for items such as lamb. Farmers are not benefiting, and neither are customers, but supermarkets and the middlemen certainly are. Big businesses like supermarkets and the banks need to do their part, we have no tolerance for them cashing in whilst ordinary people struggle.

"The RBA should stop worsening the financial stress of working people when the evidence is clear that corporate profiteering and price gouging is compounding inflation. Every time they put up interest rates, landlords pass the pain on through higher rents.

"Despite inflation falling, wages still need to catch up. Politicians need to act with urgency to get the Closing Loopholes Bill passed. The public want action on wage theft and better job security - these simple measures will make a huge difference to workers right now. Peter Dutton and the crossbench need to stop with their delaying tactics and step up for working people."

ENDS

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