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Retail profits up 25.6% whilst Aussies do it tough

Retail trade profits surged by 25.6 percent, and non-mining profits grew 15.7 percent over the past 12 months, according to new data released by the ABS today.

A drop in mining profits due to a decline in commodity prices and the terms of trade caused overall profits to drop by 1.3% since the last quarter, but mining profits remain near record highs, according to the ABS Business Indicators release.

Mining profits for the year to September 2023 were only 3.3% lower than the record high set 12 month earlier.

Mining profits also constituted 41.9 percent of total company gross operating profits in September 2023, above their five-year pre-COVID average of 33.4 percent.

Non-mining company profits were the highest they have ever been outside the COVID period at \$76.2 billion, having sharply risen by 15.7 percent since September 2022.

Despite working people suffering from a cost-of-living crisis, retail trade profits, generated largely by supermarket giants Coles and Woolworths, surged by 25.6 percent in the last 12 months.

The ACTU Price Gouging Inquiry, chaired by Professor Allan Fels, is due to release a report by Christmas examining the role of corporate profiteering in inflating the prices of goods and services for everyday Australians.

Quotes attributable to ACTU Secretary Sally McManus:

“When most Australians visit the supermarket these days, they are forced to decide what to go without while the big supermarkets see their profit surge by 25%. This is just not right. It seems many big businesses know they can get away with keeping prices high even when costs drop.

“Australians have had enough of price gouging. We all see their profits and their prices. We all see the marketing of so-called price drops when really prices remain well above what they should be. It's little wonder that supermarkets are the most complained about sector to the ACTU Price Gouging Inquiry.

“Professor Fels is due to publish his findings shortly and I'm sure it will make interesting reading for the supermarkets.

“ABS data also shows mining profits are up, posting \$54.9 billion, 3.8% higher than June 2021. These same companies would have you believe that any changes to stop them undercutting workers' pay by using the labour hire loophole would damage the industry. If anyone believes that I've got some magic beans to sell you. This is a highly profitable sector that should stop using their enormous wealth to drive down wages for the rest of us by lobbying against closing corporate loopholes.”

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