

Unions welcome falling inflation rate

The ACTU welcomes new data released by the ABS today which shows that inflation is slowing and the Albanese government's plan to tackle cost of living pressures is working.

The year to December 2023 CPI indicator showed inflation eased to 4.1 percent, significantly down from a peak of 7.8 percent in December 2022.

With the Wage Price Index in September showing wage growth at 4 percent, the CPI data today confirms that real wage growth is almost restored.

The slowdown in inflation is partly attributed to the Albanese government's policies, such as the increase in Commonwealth Rent Assistance, which resulted in rental price growth of 0.9 percent in the December 2023 quarter instead of 2.2 percent. Similarly, the government's Energy Bill Relief Fund rebates eased electricity prices for households from what would've been 17.6 percent since the June 2023 quarter to 5.7 percent.

The ACTU has argued that historic rises in the cost of a weekly shop can be partly attributed to supermarkets inflating prices artificially to maximise profits. The ACTU's Inquiry into Price Gouging and Unfair Pricing Practices, chaired by former ACCC chair Professor Allan Fels, will publish its findings at the National Press Club on the 7th of February.

Quotes attributable to ACTU Secretary Sally McManus:

"Unions welcome inflation falling and the fact that real wage growth is now in sight. The measures the Government has been taking such as strengthening workers' rights and cost of living relief are working.

"In addition to price rises slowing down, the average Australian worker will also be relieved to be receiving an extra \$800 cost-of-living bonus as part of the Albanese government's rebalanced tax cuts.

"We need all politicians to finish the job of protecting some of our most vulnerable workers such as casuals and gig workers by passing the Closing Loopholes Bill next week."

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Media Contact: Cameron Warasta 0447 159 467