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ACTU response to Professor Fels' report and recommendations

On the 7th of February, former ACCC Chair Professor Allan Fels handed down his wide-ranging report into price gouging and unfair pricing practices at the National Press Club.

The Report revealed what many had long suspected, that big business, in the form of banks, electricity companies, supermarkets and a host of others have been using their market dominance and a host of dodgy practices to push up prices during a cost-of-living crisis.

The report made 35 key recommendations.

Today, Professor Fels presented his report from the Inquiry into Price Gouging and Unfair Pricing Practices to the ACTU Executive.

After considering the report and its recommendations, the union movement will prioritise the following reforms:

- **Price gouging should be unlawful:** The Australian Competition and Consumer Act should be amended to make it an offence to charge excessive prices.
- **Public ownership and universal provision:** The union movement believes in the universal public provision of essential services, which would address systemic market failures.
- **Power to name and shame:** The ACCC should be permitted to name and shame businesses that overcharge.
- **A permanent Prices Commission:** We support the establishment of a Competition and Prices Commission – separate from the ACCC – which has the power to unilaterally examine high prices and pricing practices.
- **A stronger ACCC:** The ACCC should have power of its own to initiate price and market studies to stamp out unlawful and unconscionable behaviour.
- **Stop mega corporations consolidating:** That in merger matters, the onus should be on applicants to satisfy the ACCC, and on appeal to the Australian Competition Tribunal, that the merger is not anti-competitive, is in the public interest, and would provide good jobs for working people.

Quotes attributable to ACTU Secretary Sally McManus:

“Price gouging is not unlawful and it should be.

“Australians have had enough of price gouging by big business, whose post-pandemic behaviour of inflating their profits and keeping prices higher than they needed is appalling. They have not acted in the public interest; they have acted in their own interests. Instead of assisting the country and their customers with the cost of living they have made it worse. They have shown they will not act without stronger laws.

“The privatisation of essential services has exacerbated the problem, so we call on all governments to abandon the failed privatisation experiment. We want to see stronger action against companies that price gouge – a permanent Price Commission that continuously examines prices. We also need to make price gouging unlawful and name and shame businesses that overcharge.

“Working people should not have their pay increases eaten up by excessive prices and profit-taking. The parade of huge profit announcements at a time when everyday Australians’ budgets are under so much pressure can no longer be shrugged off by CEOs and boards, as the public has had enough.

“What we have learned from the inquiry process is that pressure works. The ACTU will advocate establishing a Competition and Prices Commission, separate from the ACCC, which would continuously examine high prices, their causes, and if those prices should be brought down.”

ENDS

Media: Cameron Warasta 0447 159 467