

Wednesday, 1 April 2026

Unions call for immediate powers to crack down on supermarket price gouging & increases to workers' fuel allowances

Australian Unions are calling for the Albanese Government to bring forward a prohibition on price gouging by supermarkets and tougher penalties for those that take advantage of supply chain uncertainties to boost their profits.

A ban on price gouging and higher penalties for supermarkets that unfairly pad their profits during times of crisis are due to come into effect on July 1 as part of a beefed-up Food and Grocery Code.

Unions are urging Treasurer, Jim Chalmers to bring forward the start date for the new anti-price gouging law so working people don't get hit by inflated prices for grocery essentials.

Unions are also calling for measures to ensure that working people are properly compensated for work-related transport costs during this extraordinary fuel price environment.

The ACTU is considering an urgent case before Fair Work to lift motor vehicle allowances for workers who use their own vehicle for work and is calling on the Federal Government to direct the Australian Tax Office to lift the rate it calculates for deductions on workers' vehicle expenses.

The current rate of 88 cents per kilometre has lagged behind the increase in fuel costs and doesn't represent the cost to workers of vehicle use. National average unleaded fuel prices increased to more than \$2.80 per litre, up more than 70% on pre-war averages.

Millions of Australian workers rely on the ATO rate to claim tax deductions for their work vehicle expenses, and it also serves as a common benchmark for many employers compensating workers who have to use their vehicles for work, in addition to the rates nominated in awards and enterprise agreements.

Quotes attributable to ACTU Secretary, Sally McManus:

"We do not want to see a repeat of what happened in Covid when supermarkets fattened their profits by price gouging ordinary Australians. This is not something that can be allowed to happen again, the Government and the competition watchdog need to come down like a ton of bricks on any supermarket that tries this on.

"The ACTU will be writing to the CEOs of Coles, Woolworths and Aldi calling on them to not engage in price gouging. They are already delivering huge profits, working Australians cannot afford hefty price rises. Real wages have not yet recovered from the last round of profit-led inflation. All Australians will be watching their behaviour very carefully; any attempt to repeat their post-Covid behaviour will cause a significant backlash.

"We want supermarkets to know that if they do the wrong thing, all Australians will be watching them like hawks and the corporate regulator will have the power to swoop in and swiftly fine them.

"Workers who need to use their vehicles for work also deserve a fair reimbursement rate that keeps up with actual fuel prices. Until this changes, workers are effectively subsidising their employers from their own pockets. This is an even bigger issue in regional areas where people drive long distances. Right now, workers such as NDIS and aged care workers are struggling to pay for petrol, this puts at risk vulnerable Australians who need support."

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Media Contact: Luisa Saccotelli (0400) 149 901