

Tuesday, May 5, 2026

## **RBA rate hike won't influence Trump - but it will punish working people**

Australian Unions say the Reserve Bank's decision to hike interest rates today will unfairly punish working people and fail to shield Australia from global energy shocks driven by overseas conflict.

Today's rate rise, which is the third in a row, will add an extra \$110 a month to the cost of repaying an average mortgage of \$736,000.

Australia Institute research from March 2026 showed profits were already driving inflation higher at the end of last year. Company price gouging was what drove the last round of inflation and now Australian workers will face another round of rising prices if companies pass on the higher costs of fuel and energy.

The Australia Institute estimates the big four banks make \$229,000 in profit on the average 30-year home loan, with working people paying while the banks make huge profits.

Australian Unions are urging landlords not to pass on today's rate increase to renters who are already squeezed by existing household cost-of-living pressures.

Award-reliant workers are the hardest hit by rising housing costs, such as higher mortgage and rent payments. Around 46% of workers on award wages are renters, compared to 34% of other working households. As many as 40% of award-reliant workers are also paying off a mortgage, and they will be hit hard by today's rate rise.

### **Quotes attributable to ACTU Secretary, Sally McManus:**

"Today's decision by the Reserve Bank will not make one bit of difference to Donald Trump's war, which is driving global oil prices and inflation.

"The RBA jacking up interest rates will not lower the cost of petrol and will not open the Strait of Hormuz, but it will hurt working people already struggling with high inflation and price gouging by big corporations.

"Working people should not accept going backwards while energy companies, big banks and supermarkets are set to record mega-profits. Higher interest rates won't stabilise global energy markets, but they will make life harder for families paying mortgages and rents.

"Workers did not cause global fuel price shocks, yet they are the ones being asked to carry the cost. Nurses, teachers and tradies should not expect to be shock absorbers for overseas crises."

**ENDS**

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