

## MEDIA RELEASE

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# CRA calls out price gouging practices amidst a cost-of-living crisis

Catholic Religious Australia (CRA) was invited to make a submission to consider the connection between dwindling living standards and increasing corporate profits by Professor Allan Fels AO, who is leading an Inquiry into Price Gouging and was the former Chairman of the Australian Competition and Consumer Commission.

In its submission, CRA expressed concern that the mining sector and corporations have been using supply chain disruptions and consumer demand to raise prices well above production and procurement costs, driving up inflation and the costs for consumers.

Both the Reserve Bank of Australia (RBA) and the Organisation for Economic Cooperation and Development (OECD) have confirmed that higher unit profits have been a driver of high and persistent inflation.

“Although price gouging is not illegal in Australia, it’s unethical when it prevents the fair and reasonable allocation of resources to the community at large,” said CRA President, Peter Jones OSA.

“The majority of Australia’s economic profits are only being received by the top ten % of income recipients, namely the major Australian businesses and corporations. Meanwhile, tens of thousands of Australians are experiencing extreme poverty and struggling to afford basic living necessities,” he added.

This submission has followed a previous submission by CRA to a Senate Inquiry into the Cost of Living, as well as a letter to the government highlighting the particular challenges the cost-of-living crisis is posing for Australia’s youth.

“Factors such as the indexation of student debt, and the unaffordability of the housing market, coupled with the current inflated cost of living, are pushing our young people into poverty,” said Anne Walker, CRA National Executive Director.

“CRA has therefore repeatedly called for multi-faceted reform to shape a more dynamic and just economy,” she said.

CRA’s submission suggested reforms such as the reduction of oligopolies – a market in which there is limited competition – through the application of competition policy. It included the restructuring of taxation to decrease its incidence on competitive activity, and the introduction of anti-price gouging legislation that prohibits ‘excessive’ price increases.

“In our submission, we’ve also recommended examining political lobbying to prevent the market entry of would-be competitors,” Anne concluded.

Read CRA's submission on price gouging [here](#).

Read CRA's submission to the Senate Inquiry into Cost of Living [here](#)

Read CRA's letter to the government regarding youth [here](#)

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