

# Prices

## Introduction

1. Australia is a country where many of our most essential industries are dominated by few players, or the consequence of privatisation has left Australia dealing with unregulated, once-public for-profit monopolies.
2. We have some of the highest levels of concentration in markets among food and groceries, aviation, financial services, energy generation and we are choked by a legalised international shipping cartel. This concentration has meant that profit has ballooned through this inflationary period, as companies use the cover of inflation to drive prices higher, fail to pass on savings, or gouge loyal customers.
3. The first priority of the union movement is not to paper over the effects of damaging privatisation and creeping neoliberalism with competitive pressure from Government, but to address it at its source. The union movement is opposed to the privatisation of public assets and services.
4. Universal provision of essential services and use of essential infrastructure should be a public right and every effort should be taken to return these assets to the hands of the people.
5. Congress also notes that not every market failure should be addressed by propping up a market. Markets are not the end and the goal. Markets are a useful function which, if working effectively, provides allocation mechanisms which mean goods and services are provided in innovative and productive ways. Competition is not the panacea to all the ills we experience and against many of the recommendations, the union movement has highly developed policies to address specific market failures.
6. There are so many areas where markets have failed. Early childhood education and care and medical services are the tip of the iceberg of the aggressive and haphazard application of market-led neoliberalism to what should be universal public services. Any intervention from the movement to take action on competition should not undermine our goal of returning once public services and assets to public hands, winning new and effective universal public services and assets. and promoting best practice regulation of services.
7. Congress supports stable and growing Australian industries, but the deal has changed. Growing stable businesses often quickly forget the role of the labour movement in building the conditions which allow their industries to grow.
8. Unions will continue to advocate for measures which benefit many major employers to create stable, secure, union jobs. However, for so many industries, employers are failing to meet their end of the bargain: charging fair prices and providing good, secure jobs.
9. It was the union movement that campaigned for the establishment of a Prices Justification Tribunal by Former Prime Minister Whitlam, which became the Prices Surveillance Authority under Former Prime Minister Hawke.
10. Real wage gains must not be eroded by businesses pricing practices and explicitly anticompetitive behaviour and the union movement reaffirms its commitment to ensuring businesses cannot do this.
11. The period of high inflation endured by Australians since COVID has rightfully brought prices under significant scrutiny and it is an area in which the union movement has significant legitimacy.
12. Prices rise like rockets and fall like feathers. Despite inflation easing, without scrutiny and pressure, businesses will persist with high prices long after they need to.
13. Unions also want to see a more competitive economy. Robust competition which results in innovation and productivity growth allows for efficiency gains and technological advancement across Australia that creates new, interesting, and highly paid jobs. It allows Australia to be an exporting nation with a diverse range of industries that support local communities.

14. There is a yawning gap in our legislative and regulatory architecture on prices. Only the union movement can win a better and fairer economy for working people while striking at the power of those in charge of corporate Australia by taking direct action on it.

## Our campaign priorities

15. Congress welcomes Professor Allan Fels' final report from the Inquiry into Price Gouging and Unfair Pricing Practices, its findings and recommendations.
16. Congress will campaign for scrutiny and regulation on prices and reaffirm our longstanding commitment to ensuring that wage growth is not eroded by unfair and unconscionable pricing practices.
17. In order to achieve this, Congress calls for the following changes:
  - a. Price Gouging should be unlawful: the Australian Competition and Consumer Act should be amended to make it an offence to charge excessive prices.
  - b. Public ownership and universal provision: The union movement reaffirms its goal of returning public assets to public hands and for universal public provision of essential services. which would address systemic market failures.
  - c. Power to name and shame: The ACCC should be permitted to name and shame businesses that overcharge, as they were able to when Howard introduced the GST.
  - d. A permanent Prices Commission: the Government should establish a Competition and Prices Commission - separate from the ACCC - which has the power to unilaterally examine high prices and prices practices.
  - e. A stronger ACCC: the ACCC should have power of its own to initiate price and market studies to stamp out unlawful and unconscionable behaviour.
  - f. Stop mega corporations consolidating: That in merger matters the onus should be on applicants to satisfy the ACCC and on appeal the Australian Competition Tribunal that the merger is not anticompetitive, is in the public interest, and would provide good jobs for working people.