



23 November 2022

## MEDIA RELEASE

### THE BURDEN OF LOWERING INFLATION MUST BE SHARED

Low-income workers and income support recipients should not be expected to carry the burden of lowering inflation by living in increasing poverty while company profits and executive salaries move ever higher.

The St Vincent de Paul Society in Australia is concerned by comments overnight by Reserve Bank of Australia Governor Mr Philip Lowe that seemingly argue against wage increases for workers to help them cope with the surging cost-of-living.

'Australians are experiencing a collapse in real wages and income payments at a time of unprecedented inflation,' National President Claire Victory said.

'Far too many Australians are finding it impossible to make ends meet as the spiralling cost of everyday essentials—such as housing, food and fuel—push them into disadvantage and poverty.

'Our members are reporting a spike in the number of people asking for assistance—many are coming to us for the first time, and a growing number of working Australians are seeking urgent help to survive as their wages fail to keep pace with inflation,' Ms Victory said.

Real wages have not kept up with the surging cost-of-living and are not a significant contributor to the current inflation crisis.

'It is unfair to expect Australian workers and income support recipients to carry the burden of lowering inflation by living increasingly impoverished lives, particularly as company profits, which make a much more sizable contribution to inflation, soar and higher executive salaries—including that of the Reserve Bank of Australia Governor—affront our sense of fairness and equality,' Ms Victory said.

'We urge leaders in the public and private sectors to engage the community in a conversation about what is needed to address poverty and create a fairer Australia.

'This conversation must include a review of Australia's tax and welfare system, which is no longer fit for purpose,' Ms Victory said.

The St Vincent de Paul Society in Australia has released a report entitled [A Fairer Tax and Welfare System](#), by The Australian National University's Centre for Social Research and Methods, which proposes modest changes to Australia's tax and welfare system to support the most vulnerable.

'These simple and affordable changes could lift a million people out of poverty, with only a marginal impact on the most well off and no impact on the nation's net budgetary position,' Ms Victory said.

'These are choices that the Government makes about who misses out and who benefits.

'We need to say that it is not good enough that people in Australia cannot afford a safe home, cannot heat their homes in winter or cool them in summer, are having to go without to feed their children or are unable to pay for their medication,' Ms Victory said.

*The St Vincent de Paul Society in Australia consists of 45,000 members and volunteers who operate on the ground through over 1,000 conferences located in individual parishes across the country.*

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