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Petrol price hikes and cost of living increases to hit low income earners hardest

As tensions increase in Ukraine, Australians are bracing themselves for record petrol prices that will impact low income earners and welfare recipients the hardest, according to the Chair of Catholic Social Services Australia, Francis Sullivan.

Local petrol prices are already at record highs, reaching a national average of \$1.79 cents per litre in the week to 20 February.

“The facts are that higher petrol prices impact low income earners the hardest as much more of their weekly income is spent filling the tank compared to others on higher incomes,” Mr Sullivan said.

“Just small increases in the cost of petrol, electricity, food and other non-discretionary goods and services can have a devastating impact of people living from pay packet to pay packet or on benefits.

“On top of this, real wages for ordinary Australians are going backwards according to the latest wage price data from the Australian Bureau of Statistics which shows a 1.2 percentage point gap between inflation and wage growth.

“Economically many Australians are going backwards and the most disadvantaged, the low income earners, single parents, homeless and underprivileged, are being hit the hardest.”

Mr Sullivan said with an election likely in May, cost of living concerns will become a major issue for both the Coalition and Labor.

“A recent poll published in the Nine newspapers shows 43 percent of voters feel their income will fall after taking into account inflation while another 10 percent expect to earn less because they will work fewer hours or have their pay cut.

“Both major parties need to recognise that, despite low unemployment, there is a very large part of our community that will struggle to make ends meet as the cost of living increases.

“Before the election there needs to be a very clear message from both sides as to how the next government is going to ensure people struggling economically will be able to keep their heads above water and enjoy just some of the benefits most of us take for granted,” Mr Sullivan said.

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