

Intermediate A, Grand Final

TOPIC: That the government should cap price increases on staple goods (e.g. bread, milk, nappies).

1. Type of Topic

This is a normative/model debate. This means that the Affirmative should propose a 'model' (a policy on how this idea would be implemented). This model should be clearly described to outline what changes the Affirmative team will make to the status quo, and how these changes will be enacted. The Negative team can either support the status quo or propose a counter-model. This counter-model must be different from the status quo, but also different from the model the Affirmative team is suggesting. The Negative team should ensure they clearly identify whether they are supporting the status quo or proposing a counter-model.

2. Background / Context

Inflation (which is essentially the rate at which prices of goods and services in Australia change over periods of time) and the cost of living crisis has been the subject of much discussion in Australia since at least the beginning of the COVID-19 pandemic. In particular, due to the global nature of the pandemic and other economic factors, Australia has seen rapidly increasing prices for some goods and services which are essential to their lives. We call these "staple goods"; they are things which most people in Australia would struggle to live a healthy life without.

Businesses may choose to raise prices for many reasons. Many businesses in the pandemic such as Coles and Woolworths claimed that they were forced to raise prices on their stock, including staple goods, due to the increased costs they faced to run their business and import stock. Other times businesses may raise their price if there is significantly increased demand for a product. Though these decisions by businesses may be true or justified in their own pursuit of profit, often customers are not able to keep up with price increases. For luxury goods this may not be a major issue, but the issue which became apparent during the pandemic and ensuing years was that many Australians could not afford to keep up with increases in the price of staple goods.

The affirmative team must argue that Australia will be better off if the government caps price increases on staple goods. Note, they do not need to argue there must be an absolute cap on the price of milk for example. They do not need to argue milk can only ever be five dollars per litre maximum, but just that, for example,

the price of staple goods can only increase by a certain percentage each year. Consequently, the negative team needs to argue that this cap on price increases would not be best for Australia.

3. Questions for Consideration

- Think of as many examples of staple goods as you can. Are there certain similarities and differences, or categories you can form to think about them as?
- The inflation rate (officially, the consumer price index) tracks the percentage change of prices in Australia. When has it been particularly high, and how has it affected Australians before?
- What are some examples of goods or services where the government does control the price, and what is the justification for it?
- What reasons may a business have for increasing their prices? What could happen if they are forced to cap their prices, but their own costs keep rising?
- Are there other ways the government could theoretically help people keep up with rising costs of living? How do they compare to capping an increase in prices?
- Are/should people be entitled to a level of guaranteed access to essential and staple goods?

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