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105,000 more workers forecast to be jobless: MYEFO reveals human cost of GFC

Today's Mid Year Economic Forecast reveals the massive human cost of the Global Financial Crisis with another 105,000 workers expected to be jobless — around 3,000 people each week — as unemployment rises to 6.75% over the next eight months say unions.

The downward revision of the Treasury's unemployment forecasts is welcome but shows Australian workers are paying a terrible price for the irresponsible business practices which led to the Global Financial Crisis.

The MYEFO data also shows the Federal Government's approach has so far been successful, but it is still too early to wind back spending on the remaining aspects of the stimulus package and the very important infrastructure investment program said ACTU President Sharan Burrow.

"Today's MYEFO figures confirm that Australia's response to the GFC has been among the world's best. It has been well-targeted and appropriately timed, saving the jobs of tens of thousands of Australian workers.

"This data clearly shows the stance of the Liberal and National Parties in opposing the Federal Government's stimulus package was politically opportunistic and economically reckless.

"There are already 160,000 Australians out of work as a result of the GFC. Today's forecasts means there will be an estimated total of 265,000 Australian victims who will become its victims before the middle of next year when unemployment is expected to peak.

Unions call for better support for jobless workers

"More assistance from both employers and government is needed to cover the incomes of Australian workers when they are made jobless and to provide them with training and help finding a new job.

"It is unfair and unacceptable for employees to face all the risks when there is an economic downturn, especially when executives hold onto their jobs and continue to pocket huge bonuses.

"Workers who lose their jobs in a downturn should not be thrown on the unemployment scrapheap. They need income support to tide them over, training to improve their skills and help finding a new job.

Ms Burrow said the economic downturn of the past 18 months had highlighted shortcomings in the current system of income support for the unemployed. Working families are forced to use up nearly all their savings to qualify for the NewStart unemployment benefit and then they only get \$228 a week — less than a fifth of average earnings and below the poverty line.

"There must be increased regulations on business to prevent a repeat of the GFC and better support for working people who are the unwitting victims of economic change and globalization.

"Greater security of workers' incomes would also help sustain economic demand in downturns and support workforce flexibility. It would contribute to workers' ability to embrace structural change in the economy and retraining for new skills such as those required for clean energy, broadband and high tech manufacturing jobs," said Ms Burrow.

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