

### Jobs growth welcome but it would be dangerous to prematurely wind back stimulus spending: unions

A small fall in Australia's unemployment rate in November shows that the Australian government's economic stimulus and infrastructure program is working and should not be wound back, say unions.

Unemployment fell to 5.7% last month, but we must not lose sight of the fact that there are still 653,100 Australians out of work.

The ACTU says a major new international report warning that an early exit from economic stimulus programs could postpone or set back the jobs recovery from the Global Financial Crisis adds weight to union calls for the stimulus to be maintained.

The International Labour Organisation's *World of Work Report 2009* has praised the "quick and decisive" response by the Australian Government as shielding the economy from recession.

ACTU President Sharan Burrow said the fall in unemployment to 5.7% was good news, especially the rise in full-time employment. But there were still 140,000 more jobseekers than a year ago, she said.

There has also been no change in the rate of underemployment, with 895,300 people seeking more hours of work to maintain their standard of living.

"There are encouraging signs that jobs growth is on the way," Ms Burrow said.

"But that could easily stop in its tracks if the economic stimulus and infrastructure program was prematurely brought to a halt as the Coalition is urging.

"Let us not forget that Treasury is forecasting in excess of 100,000 more unemployed workers by the middle of next year. Those advocating a wind-back of the stimulus would put an economic recovery in jeopardy.

"This week, the ILO has warned that the job crisis is not over and it is crucial to avoid premature exit strategies. It says the economic upturn will remain both fragile and incomplete as long as the jobs crisis continues.

"New Liberal leader Tony Abbott has already shown that he will adopt hardline industrial relations policies that will hurt Australian workers. The Liberals' call for the stimulus to be cut back shows a similar lack of concern for working Australians and their families."

The ILO report also warns that there is still much to do to correct the failures of the financial system that caused the crisis.

"The Government must proceed with tougher regulations for business and the financial system, including restraints on executive remuneration. Calls by the business lobby against tighter regulations are motivated by greed and self-interest.

"They must be resisted if we are to put our economy on a more sustainable footing and prevent a repeat of the GFC," Ms Burrow said.

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