

Thursday, 20 December, 2012

Government has done the right thing by putting Australian jobs first

The review of the Federal Budget surplus is the right decision for Australian workers by making jobs and services the top priority in the light of changing economic conditions, the ACTU said today.

ACTU Secretary Dave Oliver said that the Government's objective should be ensuring that Australia's unemployment rate stayed as low as possible in difficult economic times.

"The timing of the surplus should be governed by economic conditions, not an arbitrary deadline," Mr Oliver said.

"The Federal Government did the right thing by stimulating the economy in the aftermath of the Global Financial Crisis in 2008, to ensure that Australia kept jobs and did not go into recession.

"They are doing the right thing again by adapting to changing economic conditions both at home and globally with the goal of keeping jobs. It is the right decision for jobs and for the country.

"In a slowing economy a budget surplus is cold comfort for workers who have lost their jobs."

Mr Oliver said that the majority of economists believed that not registering a budget surplus in 2012-13 would not harm the economy or Australia's Triple-A credit rating.

"The decision not to deliver a budget surplus will not be the end the world, and has the backing of many economists and business groups that share our concern about jobs" Mr Oliver said.

"The government has already substantially tightened fiscal policy by cutting spending but it would be irresponsible to cut any further and put Australian jobs at risk.

"It will also allow the government to maintain services and move ahead with major reforms such as the National Disability Insurance Scheme and increasing funding for schools as recommended by the Gonski Review," Mr Oliver said.

"It is a bit rich for the Opposition to criticise this decision, when they refuse to say what services they would cut to balance their budget."

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