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Economic growth slows to GFC levels, household consumption growth weakest in six years

The economy grew 1.9 per cent in 2018-19 according to new data released this morning by the ABS.

This is the softest annual growth since the Global Financial Crisis and comes on the back of weak consumer demand, driven down by the ongoing wage growth crisis.

Australian workers have now had to deal with stagnant wage growth for seven years, and despite the warnings of the Reserve Bank, its own treasury department, economists and the union movement, the Morrison Government continues to do nothing, instead claiming that low wage growth is an intended consequence of its economic plan.

As working people have seen their wages flatline or go backwards, spending has slowed, and household consumption growth is now the weakest in six years.

Quotes attributable to ACTU Secretary Sally McManus:

“The Morrison Government has stalled and now it is crashing the economy through its failed trickle-down economic obsession and deliberate wage suppression.

“As working people have not had a pay rise for seven years, they have stopped spending. Domestic spending is the engine of the economy, once it stalls everything begins to go wrong. Small businesses feel it, big businesses feel it, we all feel it.

“Coupled with this is the unacceptably high level of insecure jobs where people cannot get enough hours of work. People do not have confidence in the future if they don’t have confidence in how much they will receive in their next pay.

“The blame lays squarely at the feet of the Morrison Government, years of attacking unions and workers’ rights are taking a toll. When unions are not driving up wages, the wages of all workers are held down.

“There are multiple things the Morrison Government could do address this, the most obvious is to stop attacking unions and support the work we do in pushing wages growth”

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