

Thursday, 14 May 2020

Wage subsidy must be extended as unemployment hits 6.2%

Unemployment has jumped 1.0 per cent to 6.2 per cent, with underemployment increasing by 4.9 per cent to a record high 13.7 per cent – 1.8 million people - and monthly hours worked down by 163.9 million hours according to data released by the ABS this morning.

Underutilisation – which combines under and unemployment is now at a record high 19.9 per cent. The participation rate has dropped 2.4 per cent to 63.5 per cent as people give up looking for work during the crisis.

More than half a million people lost their jobs between March and April. Roughly 1 in 5 people who were employed in March have either lost their jobs or had their hours reduced.

While these figures show the massive impact that the crisis has had on our economy the situation would be substantially worse without the JobKeeper wage subsidy.

It is essential that the scheme not be terminated early or scaled back, but rather extended to the workers in higher education, the arts, on casual contracts or temporary work visas who are currently excluded.

Quotes attributable to ACTU Secretary Sally McManus:

“These numbers show the beginning of the job losses and financial hardship which the pandemic is causing for millions of working people in Australia, and reminds us that we have to do more to protect jobs during this crisis.

“The JobKeeper wage subsidy - won by the trade union movement - is working and without it these numbers would be much worse, we have to extend it to the millions of workers currently excluded – especially those in the arts and higher education, on casual contracts and temporary work visas.

“Cutting the subsidy short or scaling it back would be a disaster for working people and for the economy. We need to keep people in work, and keep money in the hands of working people. Domestic spending is the key to recovering as soon as possible.

“The Treasurer can still act to extend the JobKeeper scheme to millions of workers who need support, and should do so immediately.”

ENDS

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