

Wednesday, 20 May 2020

## Record drop in retail spending shows need for ACTU plan to rebuild domestic economy

According to the peak body for working people in Australia, today's release of a record fall in retail spending during the month of April has reinforced the need for a new focus on rebuilding the domestic economy.

With retail spending falling a record 17.9% in April and particularly strong falls in food retailing, cafes, clothing, footwear and accessories there is a strong indication that people are cutting back on discretionary spending.

Coming on the back of last week's disastrous unemployment and underemployment figures this collapse in retail spending signals more trouble for jobs and the economy unless the government takes urgent action.

Last week the ACTU launched an 8 point plan on rebuilding jobs and the economy that focussed on domestic economic activity and today renewed its call for government action.

### Quotes attributable to ACTU President Michele O'Neil:

"We have seen terrible unemployment figures, record underemployment figures and now record falls in retail spending. Households are struggling and we need government to step in, commit to a plan that delivers 2 million new secure jobs, halves the number of people trapped in insecure work and stimulates the domestic economy.

"Our plan puts money in people's pockets so they can spend it the very cafes, clothing stores and shops that are currently suffering the most as a result of this economic downturn. Investment in nation building projects, lifting wages, making things here in Australia, more support for public and community services as well as investing in education and skills development will help rebuild our domestic economy.

"Today's figures show that people are not spending, yesterday's announcements showed international trade will be fraught for some time and last week we saw horror jobs figures. The Morrison Government needs to announce a plan for more jobs, more jobs security and higher wages and we are happy for him to use ours."

Our eight principles for the post-pandemic rebuild are:

### **1. Improve the quality and security of jobs by creating 2 million new permanent jobs and halving the number of insecure jobs.**

Ending forced casualisation, outsourcing, offshoring, continuous rolling contracts and over-use of labour hire.

### **2. Lift wages and living standards**

Money in workers' pockets drives business, creates jobs and lifts living standards.

### **3. Strengthen and invest in public and community services that are our first line of defence against 'shocks' like COVID-19, bushfires and drought**

Strong healthy communities and strong public services create a strong Australia.

### **4. Support nation-building projects that create decent jobs and set Australia up for a brighter future**

Building for the future provides jobs, training and incomes today and tomorrow. Investment in infrastructure, manufacturing and service industries.

### **5. Education and training**

Rebuilding our domestic skills and training system with public investments in schools, TAFE and higher education will ensure working people are able to meet the demands of work in the post-COVID world.

### **6. Deal with the crisis of climate change**

Reduce emissions, improve energy efficiency, restore the environment. Support existing industries and create new jobs in industries embracing new energy technologies.

### **7. Improve social, health and economic outcomes for people and communities that experience disadvantage**

Improve and increase public and community services and income support payments. Tax reform needs to be targeted at ensuring corporations are paying their fair share for the services and support every Australian needs.

### **8. Embrace industry policy and 'Australian made'.**

If we can make it or provide it here and create jobs here then we should make it or provide it here. Trade must deliver for our national interest, deals that give away our sovereignty, jobs, and undermine household incomes should not feature in our post-pandemic future.

**ENDS**

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