

Fewer hours and falling employment show stimulus spending must be maintained: unions

The loss in August of 7000 full-time jobs a week and an increase in underemployment show that it is too early to begin winding back efforts to support the Australian economy, say unions.

ACTU President Sharan Burrow said today's figures were a harsh reminder that it was far too early to be talking about a turnaround in Australia's economy.

"More than 7000 full-time workers lost their jobs each week in August alone," Ms Burrow said.

"And there is a hidden crisis of more than 880,000 Australians (7.8% of the workforce) who are desperate for more hours of work to bolster their family incomes.

"There are still almost 700,000 Australians out of work.

"Combine the jobless and underemployment, and we have more than 1.5 million Australians – or 13.6% of the workforce - suffering the impact of the economic downturn.

"This is creating financial hardship across the nation as families are struggling to cover the cost of housing, clothing and educating their children, and face cutting back on basic family expenses.

"Earlier this week, new research revealed that a third of Australian postcodes were in the high risk category of financial distress. Data this week also showed that retail spending is softening.

"This data shows it is clearly too early to talk about hauling back the Federal Government's stimulus package.

"Around the nation, jobs are being saved or created because of work underway on schools and houses which are funded by the stimulus package.

"Crucially, the next wave of spending will be on nation-building infrastructure, which will not only provide jobs in the short term, but set up a more prosperous and competitive Australian economy for the future.

"The Coalition is out in the cold on this issue, and should stop advocating a wind back of the stimulus and infrastructure investment," Ms Burrow said.