

Monday, 15 December 2014

## Soaring unemployment yet no plan for jobs

The Abbott Government has forecast unemployment of 6.5 per cent over the next two years but has failed to deliver any plan for jobs in today's budget update, said the ACTU.

ACTU President Ged Kearney said unemployment is already at a 12-year-high of 6.3 per cent.

"The longer we go on with an unemployment rate with a '6' in front of it, the worse the social and economic outlook will be for Australia," Ms Kearney said.

"There is a real risk that Australia's unemployment will shift from cyclical to structural unemployment, which is much harder to tackle and would create significant social and economic costs.

"Instead of delivering a plan to create jobs and reduce unemployment, the Abbott Government has already slashed 8,000 public sector jobs and today confirmed it is on track to slash at least another 8,700 jobs this financial year."

The Mid-year Economic Fiscal Outlook (MYEFO) also forecasts record low wages growth of 2.5 per cent over this financial year.

Ms Kearney said high unemployment and record low wages growth will be a disaster for the economy.

"Instead of continuing to pursue budget measures that adversely target low income earners, the Abbott Government needs to stimulate economic growth," Ms Kearney said.

"Tony Abbott wants to be the 'Infrastructure Prime Minister' so he should bring on spending for nation building infrastructure projects to increase unemployment and economic growth.

"The mining and construction boom is over and there are thousands of skilled workers looking for jobs.

"The Abbott Government has an opportunity to create new jobs and boost the economy – but Joe Hockey's silence on unemployment at today's budget update was deafening."

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