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## Unemployment on the rise: time to put jobs first

Both sides of politics must focus on supporting jobs and industry with today's budget update revealing a concerning projected rise in unemployment, the ACTU said today.

The Federal Government has revised projected unemployment upwards from 5.75 to 6.25% in 2013-14.

"In this economic climate, with rising unemployment, we need both political parties to prioritise job support and creation," said ACTU Secretary Dave Oliver.

"This is not the time to be cutting spending on public services, industry support and infrastructure.

"We're very concerned the increased efficiency dividend placed on the federal public service could lead to heavy job losses. There are smarter ways to make savings than the blunt and damaging instrument of an efficiency dividend.

"While it's clear the Coalition is proposing a much more vicious program of public sector cuts, Australians deserve better than a choice between cuts and more cuts – especially in a climate of rising unemployment.

"It's also not the time to be pulling funding from critical industries like auto manufacturing and we call on the Coalition to review its position of cutting \$500 million in funding."

Today's unemployment figures also show the urgent need for a cut to interest rates at next week's Reserve Bank meeting, said Mr Oliver.

"Interest rates have a direct impact on investment and jobs, and the case for a further rate cut is there in the numbers on unemployment, inflation and growth."

The ACTU welcomes the levy on banks to fund the government's guaranteed deposit insurance.

"We are calling on the banks to absorb those costs rather than passing them on to consumers," said Mr Oliver.

"After all, the government guarantee also protects shareholders and our big four banks are among the most profitable financial institutions in the world; they can afford to do the right thing here."

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