media release

ACTU
australian council of trade unions

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Rate rise must be ruled out as jobs figures worse than expected

Australian Unions are urging the Reserve Bank to rule out an interest rate hike when it meets next month after employment figures came in weaker than expected, with around 16,000 fewer jobs in July, despite forecasts for around 12,000 jobs to be added.

The unemployment rate rose to 4.5% in July, up from 4.4% in June, according to ABS labour force figures released today.

The figures show the economy is weakening and unemployment rising amid growing global economic uncertainty and oil price volatility as Donald Trump's war in the Middle East continues to erode business confidence.

Australian Unions say the figures reinforce the need for the Reserve Bank of Australia to give equal weight to its dual mandate of maintaining full employment and managing inflation.

Quotes attributable to ACTU President, Michele O'Neil

"Today's figures are a warning sign. Economists expected to see employment increase and jobs added. Instead, nearly 16,000 jobs were lost in July.

"If it wasn't clear before, it should be now. The Reserve Bank must not raise interest rates when it meets next month. The last thing Australia needs right now is a cash rate decision that adds further pressure on workers, families, and businesses, especially given the ongoing impact of Trump's war.

"Unions believe a rate rise next month will put even more Australians out of work and undermine the Reserve Bank's full employment mandate.

"Working people know too well the impact of leaving rates too high for too long. It means lost jobs, worsening employment opportunities and more stress for households already doing it tough."

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