



Australian Council of Trade Unions

MEDIA RELEASE

Tuesday, 20 January 2009

Unions call for new economic stimulus package to target jobs that can begin straight away

Unions have welcomed strong indications from the Prime Minister that the Government is preparing for a second stimulus package for the Australian economy.

ACTU President Sharan Burrow said the threat to the economy and to jobs had not lessened since the \$10.4 billion injection into the economy late last year, and a new stimulus had to target immediate job starts.

“This is good news that the Prime Minister is proposing another stimulus package, which is absolutely essential as the outlook for the global economy becomes bleaker by the day,” Ms Burrow said.

“The next stimulus must be aimed at jobs that can be brought on stream from day one - jobs that can start now.

“One priority should be retrofitting houses and commercial buildings to make them energy and water efficient. This serves a dual purpose of tackling the economic crisis and threat of climate change.

“If small-scale construction jobs can begin, that will flow through to manufacturing and services.”

Ms Burrow has just returned from meetings in Washington DC with the World Bank and the International Monetary Fund where it was warned that governments around the world needed to invest at least 2% of global Gross Domestic Product into stimulus measures targeted at jobs and vulnerable workers to avoid the economic downturn worsening.

She said employers, unions and employees must work together to confront the economic crisis and to protect jobs and incomes.

This was best achieved through collective bargaining, which brings employers and the workforce to a negotiating table to achieve the best outcome for all concerned on a case by case basis.

Unions will be responsible in wage claims in the difficult economic environment, but expected employers to have a reciprocal awareness of the need to maintain jobs.

“Jobs will be the number one focus, but retaining real wages is absolutely essential as well,” she said.

“History has shown that cutting wages in a downturn is counter-productive when the recipe for economic recovery is stimulating demand.

“As the case of Alcoa in Western Australia demonstrates, we will be responsible and flexible, but we will not accept wage freezes that actually cut the real incomes of Australian workers.

“It is no fault of workers that we had a financial crisis. They still have to pay their bills, so the time to actually maintain wages is now because you keep demand in the economy.”

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