



AUSTRALIAN CHAMBER OF
COMMERCE AND INDUSTRY

MEDIA RELEASE

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POLICIES THAT SUPPORT JOBS NEEDED IN RESPONSE TO OECD REPORT

Statement by Mr Peter Anderson, Chief Executive

The Australian Chamber of Commerce and Industry (ACCI), Australia's largest and most representative business organisation, says that the OECD's 2009 Employment Outlook is a sobering reminder of the difficulties Australian employers are experiencing in trying to hold employment levels in the face of the global economic downturn.

"While our current unemployment rate of 5.9% is lower than many other nations, the OECD reminds us that it has still risen by 40% from a low base (3.9%), with particularly severe risks of further unemployment amongst young people."

"Today's ACCI-Westpac Survey of Industrial Trends confirms the softness of demand for labour."

"The OECD has rightly pointed out that our low starting point and subsequent domestic policy responses, including stimulus measures and interest rate reductions, have significantly cushioned the blow on job losses, as have steps taken by many employers to adjust working hours rather than retrench staff."

"Australian employers have largely held their nerve throughout this downturn, keeping staff in the process. The OECD's projection of substantial further job losses across the globe requires Australia to adopt policies that give employers the best chance of keeping people in jobs. Policies to support employers and jobs should include:

- maintaining an appropriate level of stimulus while the labour market remains weak;
- resisting a too-early change to interest rates;
- ensuring flexibility exists in the industrial relations system;
- taking regulatory pressure off small business;
- supporting skills, education and training in key vocational areas;
- effective transitions from welfare to work and school to work;
- ensuring Job Services Australia provides effective employment services and job placement; and
- targeted labour market programs, including employer subsidies, in at risk areas such as apprenticeships, youth and disability employment."

"Past support by the OECD for workplace flexibility also needs to be heeded. If not implemented as intended, aspects of the new fair work industrial relations system, including new awards and union objections this week to government-supported flexibility agreements, have the potential to act as a future handbrake on employers and our labour market."

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