

Senator the Hon Michaelia Cash Minister for Employment, Skills, Small and Family Business Senator for Western Australia

MEDIA RELEASE

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ABS LABOUR FORCE FIGURES FOR APRIL

Labour force figures released today by the ABS show the level of employment fell by 594,300 (or 4.6 per cent) in April, in line with market expectations, while the level of unemployment rose by 104,500 (or 14.5 per cent).

Full-time employment has decreased by 220,500 (or 2.5 per cent) over the month, while parttime employment has declined by 373,800 (or 9.0 per cent).

The seasonally adjusted unemployment rate rose by 1.0 percentage point, to 6.2 per cent in April, the highest rate recorded since September 2015.

The ABS has advised that the decrease in employment in April did not translate into a similar increase in unemployment, because a large number of people left the labour force, pushing the participation rate down by 2.4 percentage points, to 63.5 per cent.

The ABS has also advised that if the 489,900 people who left the labour force in April had actually gone into unemployment, the unemployment rate would have risen to 9.6 per cent.

The figures released today are unprecedented, due to the impact of the COVID-19 pandemic, with Treasury forecasting the unemployment rate to rise to 10 per cent in the June quarter 2020.

It is clear that COVID-19 is having a substantial, negative impact on global and domestic economic growth, as well as labour market activity in Australia, and that the fallout will continue for some time to come.

This Government has moved quickly, however, to protect both the health and jobs of all Australians and put in place sustainable and scalable measures to help cushion the impact of COVID-19.

The Minister for Employment, Senator the Hon Michaelia Cash, said that while today's ABS figures reflect the negative impact that COVID-19 is having on the labour market, it is important to note that Australia entered this crisis from a position of economic strength and record employment.

"Today is an incredibly sobering day. We have in our thoughts every Australian who has lost their job – this has a devastating impacting on them, their family and their community," Minister Cash said.

"Today also highlights the important of JobKeeper. In order to help keep businesses in businesses and keep Australians in jobs through the pandemic, we are delivering \$130 billion in JobKeeper payments to support around 6 million Australian workers and keep workers connected to their employer.

"This historic wage subsidy will mean that eligible workers will receive a flat payment of \$1,500 per fortnight through their employer, before tax, and will ensure that eligible employers and employees stay connected while some businesses move into hibernation.

"When the economy begins to recover, these businesses will be able to start again and their employees will be ready to recommence work because they will remain attached to the business."

The JobKeeper Payment, in addition to the previously announced measures, brings the Government's total economic support package for the economy to \$320 billion across the forward estimates, representing 16.4 per cent of annual GDP.

The Federal Government will continue to work collaboratively with the experts and our State and Territory counterparts, in order to respond decisively and effectively to the health and economic challenges that confront us during this pandemic.

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