

JOBS FIGURES COULD INDICATE FUTURE ISSUE OF UNDEREMPLOYMENT

Drake International has welcomed the latest ABS labour force statistics for the month of August as an indication that the Australian economy has continued the trend towards recovery in spite of global trends in Europe and North America.

The ABS labour force statistics are increasingly trending towards an improving economy, but also proof the Australian economy is much more resilient than initially thought in the first quarter of 2009 where unemployment was expected to trend towards 8.5% - 9.5 into 2010.

“The stability of the unemployment rate as 5.8% given the loss of over 30,000 full time jobs in the month and only a minor increase in part-time employment may be an indicator that the Governments skills and training programs could be starting to have an impact,” said Matthew Tukaki, General Manager of Government at Drake International.

Further, the statistics are aligned with what Drake is seeing across the Australian economy and its own clients particularly in logistics and supply chain, operations and a resurgent call centre sector. Drake is similarly recognising a further trend towards casual and part time work.

“While it does appear that the economy is stabilising and is largely insulated from the effects of the global financial crisis impacting other developing countries, we need to be careful that the continued increase in part time or casual work isn’t leading to a more significant problem, which is under-employment” said Matthew Tukaki.

The significance of underemployment is still not statistically understood and is usually where an employee may have moved from permanent work to casual or part-time work with many moving to two part time jobs on less salary than the previous full time job. According to Matthew Tukaki, “This scenario leads to lower take home pay but not enough where the individual or family would be eligible for the full gambit of Centrelink support.”

“In addition we need to be careful that as the economy does begin to pick up that employers begin to recognise when the right time is to move employees back from four day weeks or reduced hours, or alternatively transferring casual or part-time workers back to full time employment.” said Matthew Tukaki

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Interview opportunities and images of Drake spokespeople are available on request.