



# Interest rate rise on top of recent pay cuts to put more pressure on Tasmanian working families

**ACTU Secretary Jeff Lawrence will be at a picnic for parents and their children on Wednesday 7 November, speaking about the impact of the latest interest rate rise on the people of Bass.**

**Where: People’s Park, Torrens Street, Mayfield  
When: 11am, 7 November**

The rise in interest rates announced this morning will affect more than 67,000 working families in Tasmania (2.7 million across Australia) that have home mortgages and will push monthly repayments for an average \$250,000 home loan above \$2,000 a month for the first time, a new ACTU analysis shows.

Along with a recent fall in real wages under the Howard Govt’s WorkChoices IR laws the rate rise announced today will put more pressure on working families already struggling to keep their heads above water the ACTU says.

The rise in interest rates is the sixth since John Howard promised at the last election to keep them at record lows and will mean working families are paying an average of around \$250 extra a month in home repayments since the last election.

At the same time that housing and other living costs are rising, the Howard Government’s WorkChoices IR laws have put downward pressure on wages with the head of the Government’s new wage setting body confirming that the real wages of more than a million workers had fallen up to \$65 a month.

**ACTU Secretary Jeff Lawrence said:** “With pay cuts from WorkChoices on one side and rising housing costs on the other, working families in Tasmania are being squeezed financially.

“This interest rate rise will hurt everyone in the Launceston community, not just home owners.

“The future for Tasmanian working families under a re-elected Liberal Government also looks bleak.

“There are predictions of further interest rate rises and a Howard Costello Government is bound to hurt more working families by going further on industrial relations.

“The Minister for Workplace Relations Joe Hockey is refusing to release research that shows the Howard Government wants to put an extra 1.5 million workers on AWAs, reduce the award safety net and expand Work Choices to the entire workforce. [Leaked DEWR tender document available on request]

“Today’s interest rate rise will have a devastating effect on local working families already struggling under Workchoices and they certainly will not be able to afford the Liberals going further on WorkChoices after the election,” said Mr Lawrence.

Households With Mortgage

NSW	860,000	WA	319,600
VIC	690,900	TAS	67,800
QLD	535,700	NT	19,800
SA	223,100	ACT	54,600
		AUSTRALIA	2,772,000

Mortgage repayments on an average \$250,000 home loan

	Interest	Monthly repayment	Total interest repayments over 25 years
Dec 2004	7%	\$1,753.65	\$279,647
Dec 2007	8.5%	\$2,004.79	\$353,920