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Catastrophic outcome from the Government's biggest economic decision yet

An appalling lack of leadership from Government will cost up to 50,000 Australian workers their jobs following the announcement by Holden that it will cease production in 2017, unions said today.

ACTU Secretary Dave Oliver said the Liberal Government has comprehensively failed its first test.

"As a result of Government inaction Australia will lose up to 50,000 direct skilled jobs in the automotive industry, \$21 billion will be wiped from the economy and regions will go into recession," Mr Oliver said.

"This is the most significant economic decision the Abbott Government has made and it's going to have catastrophic consequences for our country.

"Tony Abbott has played politics with this issue and this is the result."

Mr Oliver said it was the Government's job to save jobs, not sink jobs. But faced with the choice of supporting an iconic industry that generates billions of dollars of economic activity, or adhering to a free market ideology, Mr Abbott chose the latter, he said.

"Mr Abbott has made it clear that he has no jobs plan for the future," Mr Oliver said.

"The departure of Holden will sink the car industry in this county and the flow on effects for jobs and manufacturing will be cataclysmic.

"Tony Abbott's legacy will be as the Unemployment Prime Minister.

"The Liberal Government has no plan for future industries beyond the mining boom and under their watch the car manufacturing industry has been demolished.

"This is devastating news for car manufacturing in Australia and for the tens of thousands of workers who will be left without a job.

"The indifference that the Coalition has displayed towards Holden and the workers who rely on them is astonishing. It begs serious questions about the Government's ability to protect jobs and its commitment to this vital task.

"This will be a legacy this Government will carry and be judged upon: the death of the car industry in Australia due to mismanagement, politicising and a fundamental lack of care for people's jobs.

"Australia's claim to be a modern growing productive economy is in serious doubt under this Government.

"The question for Tony Abbott is – why didn't he fight to protect Australian jobs?"

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