Greek unemployment hits new record high

The number of people out of work in Greece continues to rise

The level of unemployment in Greece acquires catastrophic scale

The jobless rate hit a record high in June, from the deep recession made worse by austerity policies linked to the country's bailout. Just over 1.4 million are registered as without jobs, from a total population of just over 11 million. The unemployment rate rose to 27.9 percent of the workforce in June, with 58.8 percent of young people jobless. The total is up over three percent from a year ago. The Eurozone average is 12.1 percent.

The Greek people are in despair. Nikoletta Argiogitis, a 29-year-old English teacher, said, "Unfortunately what I see around me is that things are getting worse. More and more people are losing their jobs. Wages are being reduced. I just don't know what will happen." Unemployed Dimitris Gerousakis said he is considering leaving Greece, "I already left once for my masters degree. But then I decided to come back here to get a job. But now it looks quite probable that I will go back to Berlin, where I was before."

The politicians are more optimistic; Prime Minister Antonis Samaras recently said he believed the slump this year would be smaller than forecast and economic pain should ease next year. The finance ministry is reportedly now looking at a 3.8 percent contraction of GDP this year, less than the 4.2 percent decline forecast by international lenders. But even if a recovery gets underway next year — as the authorities project — it will take time to be felt in the labour market. Meanwhile, Greece's largest private sector trade union GSEE sees the jobless total hitting 30 percent this year and going higher to 31.5 percent next year.

Oxfam sounds alarm bell on austerity

Austerity in Europe risks creating a lost generation, according to a new report by Oxfam

The charity says by 2025 between 15 and 25 million people could be living in relative poverty. The EU defines relative poverty as those households earning less than 60 percent of median income. "We have already seen this before, the structural adjustments in South America in the 1980s, and what happened after with the financial crisis in Southeast Asia in the 1990s," said Natalia Alonso, the head of Oxfam International's Brussels office. "These measures were very similar to the austerity measures being applied now. We know the impact they had and we know what was the cause and we have to learn from the history".

The group has long argued for a financial transaction tax, which critics say will slow economic growth and hit pension funds. Oxfam says the poor should not pay for mistakes made by bankers. "We keep saying for many reasons that there is a huge potential in a mechanism that cane raise funds in this crisis situation, but also to regulate a financial system that created this crisis," said Alonso.

Bank of England must limit house price booms

The Bank of England should use its powers to limit house price increases to 5 percent a year to 'take the froth out' of price booms, a surveyors' group says

The Royal Institution of Chartered Surveyors (Rics) said that a 5 percent annual rise should trigger caps on how much people could borrow relative to their incomes or the value of the property. It is not suggesting that sellers should face a limit on how much they could charge for their homes. The Bank said it was being vigilant.

Activity in the UK housing market has picked up in recent months after a few years of inactivity during the financial crisis. There has been considerable debate during the week about the future of the UK housing market and the potential for government schemes to create an artificial price bubble. Some forecasters are suggesting increases in house prices could break through the 5 percent barrier this year, owing to increasing demand from first-time buyers at a time when the number of homes for sale remains low.

Joshua Miller, senior economist at Rics, said that it was important to stop any debt-fuelled house price advance. "The Bank of England now has the ability to take the froth out of future housing market booms, without having to resort to interest rate increases. Capping price growth at, say, 5 percent is one way of doing this," he said.

The Bank's Governor, Mark Carney, told MPs that the Bank was vigilant on house prices but that parts of the country had not seen any recovery in the housing market. In previous speeches, he has said that he has a toolkit in place to keep a lid on any potentially damaging boom. This includes asking, but not telling, banks to limit how much they can lend to individuals and making them set aside more capital if they want to carry on providing mortgages.

Recent house price surveys show increases in prices, but this was compared with some drops a year ago. The Halifax survey said that prices had risen by 5.4 percent in the year to August, while the Nationwide said house prices in August were rising at an annual rate of 3.5 percent. The Nationwide compares prices in one month with the same month a year ago.

On presentation of new iPhone in China

China mostly unstirred by new iPhone devices

With the dust having settled on the latest iPhone unveilings, it is time to evaluate the impact

And in China, the world's largest smartphone market and where Apple is aiming its cheaper model, it was disappointment. The iPhone 5C did not appear in the list of top searches on China's most widely used microblogging service, Sina Weibo.

Technology blogger and author Wang Fei said many there think it is just too expensive, "Buying an older generation mobile phone for nearly $730, I'd have to be crazy. It's a bit surprising. There's nothing new and there's nothing about its Chinese partners coming to the event to talk about the contract price of the phone. That's what was disappointing. Apple has made some progress in the China market but that progress has been too little." On the streets of Beijing the reaction to the new technology and range of colours was mixed.

"I am quite looking forward to the new iPhones, especially the covers," said one Beijing resident. "You know the cover for the iPhone 5 was not very good, and I heard this time they've all got coloured covers ready for customers to choose from." "To be frank, I don't see too many changes with Apple phones, so I won't be crazy about it," said another. "You know there is little difference between the iPhone 5 and the iPhone 4, and you can see there is not much difference between the new designs and the old ones."

Royal Mail privatising 'in coming weeks'

The government has given formal notice to the stock exchange that it plans to privatise the Royal Mail 'in the coming weeks'

Employees will be given 10 percent of the shares, with the rest being offered to institutional investors and members of the public. Unions have already threatened strike action over the privatisation. The minimum amount members of the public can buy in shares will be £750. Free shares will be given to 150,000 UK-based Royal Mail employees, who will be able to apply for additional shares under an employee priority offer, with a minimum application of £500.

The Communication Workers Union (CWU) opposes the float and is about to ballot its members for strike action. The outcome of the ballot will be announced on October 3rd. Royal Mail expects CWU members to vote for industrial action, with the first date available for a strike being October 10th.