

Investment in skills and infrastructure crucial to boost Australian productivity: unions

Major investment in skills, training and infrastructure will be needed if Australia is to respond to the challenge of lifting productivity growth, say unions.

Welcoming the Prime Minister's new commitment to boosting national productivity, the ACTU says working Australians are ready to rise to the challenge, but business will also have to adopt a new mindset of genuine workforce engagement through collective bargaining.

ACTU President Sharan Burrow said the Australian economy trod water over most of the decade just finished because the previous Coalition Government failed to build on the reforms of the previous Labor Government.

"The Prime Minister has described in stark terms the risks to the national economy if we fail to lift productivity," Ms Burrow said.

"But with the right policies, this challenge can be met.

"Improving productivity is a shared objective of business, the labour movement and the government, and we are keen to be part of the dialogue.

"This is a dialogue we have been encouraging for several years, but fell on deaf ears under the previous Government.

"To have sustained productivity growth, continued investment in education and training, research and development, and upskilling of the existing workforce, will be critical.

"Business has a responsibility here to invest in a skilled, modern workforce, rather than rely on the easy and unsustainable option of temporary skilled migration.

"Productivity in Australia is lagging because despite the success of the late-1980s and early-1990s, the Howard Government squandered the reforms of the Hawke-Keating era.

"It demolished the structures that promoted co-operative endeavour, undermined collective bargaining, presided over a workplace culture of fear and low wages that was anathema to productivity growth, and neglected the necessary investment in education, skills and infrastructure.

"The Rudd Government has already made a good start on this with its renewed commitment to skills and a major program of nation-building infrastructure, but business has to play its part as well.

"All Australian workers have a stake in higher productivity, and it is crucial that the gains are shared among wages and profits.

"Employers need to genuinely engage workers in a shared commitment to lifting productivity through collective bargaining."

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