Society for Australian Industry and Employment Inc.

28.8.2003

The Secretary, Standing Committee on Employment and Workplace Relations House of Representatives Parliament House Canberra ACT 2600

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Dear Sir/Madam

Increasing work participation is largely a function of work availability. When work was plentiful, such after the shortages created by World War 2, our problem was excess overtime and inflation. Now, about one third of willing workers work part-time only and many have given up the search for a suitable job.

We should like to address the reasons for the shortage of available jobs in Australia.

We believe there are two main causes:

- 1. Over the last thirty years work has become very much more efficient. Office work has been highly mechanised through computers, software developments and larger and more efficient business and production units. Yet, we have not reduced working hours over this period, mainly to avoid raising hourly costs.
- 2. In spite of this, manufacture in low wage countries, such as China, has successfully undercut the cost of many locally made goods.

Other countries with high wages, such as the United States, have experienced similar problems to Australia. They have countered these problems by controlling imports by quantity and by origin. Further, they continue to subsidise local produce and production. They throttle imports by using very effective "anti-dumping" provisions.

Consequently, we believe, that the most effective answer for Australia is to follow the example of countries and country groups like the U.S.A and the European Union.

No doubt, in addition, we can find ways of increasing employment opportunities through innovation, specialized niche products, consultancies and the export of more education. Our Society would certainly be delighted to assist in this direction.

Yours sincerely, Ken Aldred, President.