

Press Release

23rd July 2008

Social Partnership has Vital Role to Play in Improving Irish Living Standards and Wellbeing - NCC

The National Competitiveness Council today commented that the current social partnership talks have a critical role to play in reclaiming our competitiveness and improving living standards and wellbeing. Dr Don Thornhill, Chair of the NCC noted that “while the primary purpose of the upcoming talks is to agree the next phase of the pay element, potential exists to prioritise key actions to support the continued success of Ireland’s enterprise base and to take actions to restore Ireland’s international competitiveness’.

Launching the Council’s discussion paper on Wellbeing and Competitiveness, Dr Thornhill commented “Economic growth and social progress are inextricably linked. Continued competitiveness and economic growth are essential to supporting Irish living standards and wellbeing. In what is now a more challenging and uncertain economic environment, we must have an unwavering focus on the delivery of productivity improvements and competitiveness.” Research released by the Competitiveness Council today highlights that an environment that supports high levels of wellbeing is an important driver of competitiveness as Ireland seeks to attract and develop world class companies and workers and as we to transition towards greater production of knowledge intensive goods and services.

The Social Partnership talks can specifically contribute to our future competitiveness and wellbeing by supporting a national programme to restore cost competitiveness. This will require coordination to manage both consumer and pay inflation. Promoting competition in the internal market to reduce inflationary pressures and the continued sound management of Government spending are other important anti-inflationary policies.

Another significant contribution that the talks can deliver on is in the promotion of continuing development of skills to provide Ireland with a competitive advantage in terms of world class skills, education and training. To regain our competitive edge Ireland will also need changes in the workplace - a partnership approach to the development of workplaces which are knowledge based and innovation driven.