



Has prosperity bred complacency in productivity growth?

The House Economics Committee will discuss the way forward for Australia's productivity growth with representatives of the mining and telecommunications sectors, at a public hearing in Melbourne on Friday 20 November 2009. The hearing is being conducted as part of an inquiry into raising the productivity growth rate in the Australian economy, which is exhibiting a decline.

The Australian Mobile Telecommunications Association will discuss the dramatic uptake of mobile broadband, and its reported widespread productivity growth benefits. Their inquiry submission outlined the ramifications of ignoring the mobile network's 'invisible infrastructure'—that of adequate radio-frequency spectrum. This was also a view put forward by the Centre for Law and Economics, ANU, at a public hearing on 30 October.

The Australasian Institute of Mining and Metallurgy will also meet with the committee to discuss their views on the cause of productivity decline in the mining sector in this yet unfinished productivity cycle; something the Productivity Commission have concluded has been a major contributor to the decline in Australia's productivity growth rate. The Institute's submission indicated that while the sector has been booming a degree of inefficiency may have crept in.

Committee Chair, **Craig Thomson, MP** said: "Whilst the mining sector has delivered some of the biggest historic increases in Australian incomes over the last decade, this windfall appears to have come at a cost—a fall in that sector's productivity growth. The committee is keen to explore how much of that is related to massive investment in mining over that period, or whether it could be other factors which could impede future growth."

Mr Michael Rice will also discuss his view that Australia requires a much greater pool of highly skilled workers for research and development in Australia's high-tech manufacturing sector.

The hearing will be held at the **Parliament of Victoria in the Legislative Council Committee Room, Spring Street, Melbourne on Friday, 20 November 2009.**

The program is outlined below:

9.15 am	Australian Mobile Telecommunications Association
10.00 am	Australasian Institute of Mining and Metallurgy
11.00 am	Mr Michael Rice
11.45 am	Adjournment

For media comment: please contact the Committee Chair, Mr Craig Thomson MP, on (02) 4351 1223 (Electorate Office) or (02) 6277 4460 Parliament House. **Further information:** contact the Inquiry Secretary (02) 6277 4209, email economics.reps@aph.gov.au or visit the Committee's webpage at <http://www.aph.gov.au/economics>