

## Exporters urge government to resist wage increases

By Fiona Reddan

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Government should instead develop a proper performance system with bonuses that reward higher productivity and sanctions under-performers IEA says

The Irish Exporters Association (IEA), the representative body of the export industry, has called on the Government to resist fixed wage increases in the public sector. Instead, it urges the government to consider “meaningful change”.

So far this year, Irish export figures have enjoyed a boost from a favourable exchange rate, low oil prices and near zero interest rates.

However, Hugh Kelly, president of the IEA warned on Monday that these conditions “will not persist indefinitely”.

“We are challenging the Government and the unions to use this opportunity to introduce meaningful change in the public sector, to deliver on the promise to tackle the cost of delivery of public services,” he said, adding that the public system is still rife with inefficiencies, high levels of absenteeism and unacceptably low levels of accountability.

“Reducing these inefficiencies will reduce our national cost base, support sustained export growth and deliver a more robust economic recovery,” he said.

Negotiations between public sector union representatives and the Department of Public Expenditure and Reform begin this week.

Mr Kelly argued that “meaningful change” in the public sector would include developing a proper performance system with bonuses that reward higher productivity and sanctions, up to and including dismissal, for under-performers.

“The principle of rewarding those who try harder and deliver more, whether in the public or in the private sector, is not only just but serves the much wider public interest and, indeed, a far larger electorate,” he said.

<http://www.irishtimes.com/business/economy/exporters-urge-government-to-resist-wage-increases-1.2225159>