

Minutes for NCP Meeting 111

Meeting: National Competitiveness and Productivity Council No 111
Venue: IDA Ireland, Three Park Place, Hatch Street Upper, Dublin 2
Date: 8.30 am – 10.30 am, Thursday 13 April 2023

Members Present:

Dr Frances Ruane, Chair
Ciarán Conlon, Director of Public Policy, Microsoft, Ireland
David Hegarty, Assistant Secretary, Department of Enterprise, Trade and Employment
Laura Bambrick, Head of Social Policy & Employment Affairs, ICTU
Neil McDonnell, Chief Executive, ISME
Patrick Walsh, Managing Director of Dogpatch Labs
Mary Buckley, Interim Chief Executive, IDA Ireland
Leo Clancy, Chief Executive, Enterprise Ireland
Brian McHugh, CCPC

Advisors Present:

John Shaw, Department of the Taoiseach
Ann Marie Brooks, Department of Children, Equality, Disability, Integration and Youth
Liam Coen, on behalf of Andrew Munro, Department of Justice
Lisa Keyes, on behalf of Paul Bolger, Department of the Environment, Climate and Communications
Roshin Sen, on behalf of Niall Egan, Department of Social Protection
Garret Doocey, Department of Transport
John McCarthy, Department of Finance
Colin Menton, Department of Public Expenditure and Reform

Apologies

Michael Taft, Research Officer, SIPTU
Fergal O'Brien, Executive Director, Lobbying and Influence, Ibec
William Beausang, Department of Further and Higher Education, Research, Innovation and Science
Sinead McPhilips, Department of Agriculture, Food and the Marine
Paul Hogan, Department of Housing, Local Government and Heritage

Secretariat

Dermot Coates
Linda Kane
Rory Mulholland
Keith Fitzgerald
Karen Hogan

	Action
<p>111.1 Chair's Introduction, Minutes & Matter Arising</p> <ul style="list-style-type: none"> ▪ The Chair opened the meeting. ▪ The Chair noted that Margot Slattery had reached the end of her term and stepped down. The Chair thanked Margot Slattery for her valuable contribution to the Council's work over the past number of years. ▪ The Chair thanked the Secretariat for the work put into the papers. The Chair also thanked Linda Kane on her last meeting with the NCPC Secretariat and welcomed Keith Fitzgerald who is joining the Secretariat as a Senior Economist. ▪ The minutes from NCPC meeting 110 were approved. ▪ The Chair noted Patrick Walsh is due to finish his term at the end of 2023. As four other Council members reached the end of their term or stepped down, a call for expressions of interest to fill five vacancies was launched in January. A selection panel has taken place and a shortlist sent for the consideration of the Minister. ▪ David Hegarty provided an update on the implementation of the White Paper on Enterprise 2022-2030. 	
<p>111.2 Ireland's Competitiveness Scorecard 2023</p> <ul style="list-style-type: none"> ▪ Secretariat provided an overview of the draft of the Scorecard report. <p>Members Comments</p> <ul style="list-style-type: none"> ▪ Members noted: ▪ The importance of illustrating the presence of contract manufacturing. The question of bringing ABSEI data into the Scorecard was raised. ▪ Charts should be showing a medium-long term time frame. ▪ The taxation system is a disincentive for remote workers and is undermining clustering in Ireland. <ul style="list-style-type: none"> ▪ Is the dependency on corporation tax worth highlighting in overall message, and should this be echoed in Challenge? ▪ One way to address concentration risk is driving innovation in indigenous economy, our advantage with FDI is a way to drive. <ul style="list-style-type: none"> ▪ Need for investment in R&I. Innovation should be addressed within the Challenge. ▪ Indicators on rental markets, energy security, planning/legal process, transport quality were suggested ▪ The implementation of NDP is important, and sequencing is what matters. ▪ Current childcare metric doesn't reflect the subsidies/state supports to parents to offset fees. 2022 data will be ready soon. 	<p>Secretariat to consider the feedback and revert to the Council</p>

<p>111.3 Ireland's Competitiveness Challenge 2023</p> <ul style="list-style-type: none"> ▪ The Secretariat outlined the proposed themes for this Challenge and invited views of Council members. <p>Members Comments</p> <ul style="list-style-type: none"> ▪ Overall members agreed with the proposed themes. ▪ It was noted Housing is most important in the Infrastructure chapter. ▪ Housing, water, energy and planning permeates all sectors. The language around carrying capacity in last year's challenge sets it out nicely. Need to highlight what's improved since last year and what hasn't. ▪ Members noted that changes to Industrial Policy and state aid have implications for our economic structure, and are important to our competitive challenge. ▪ The issue of AI was also raised. Ireland needs to be in a leadership position and ahead of the curve. Members also noted ethics relating to AI need to be developed and driven. Cyber security also critical. Need to think about what innovation infrastructure we need to allow AI to thrive. Also need to consider the positive eg impact on productivity. Consider if it's a complement or a substitute – replacing technologies or industries is the issue. ▪ Related to planning – energy issues will be incorporated. The EU's Energy efficiency directive - not just about reducing emissions but reducing use. ▪ The transformation of enterprise base was raised. Critical for companies to embrace sustainability and digitalisation. Related to this is skills. Not just 3rd level education– need to go back to 2nd level. Not just the time at school but it's what they're studying. ▪ Should also note the good things happening – e.g launch of digital manufacturing Ireland. ▪ CCPC are doing work on consumer prices. ▪ Important that Council maintain evidence-based approach to the Challenge report. <p>112.4 NCP Engagement and Communications</p> <ul style="list-style-type: none"> ▪ The Secretariat noted that it had followed up on last Council meeting regarding reaching out across the political system and contact had been made with the relevant Enterprise spokespersons in each political party. 	<p>Secretariat to consider the feedback and revert to the Council</p>

<ul style="list-style-type: none">▪ The Chair met with the Sinn Fein spokesperson which was a valuable opportunity to highlight the work of the Council and will be meeting with the Green Party spokesperson in the coming weeks.	
<p>111.5 AOB</p> <ul style="list-style-type: none">○ The Secretariat noted the reduced output of Bulletin type reports this year in order to allow for increased focus on Scorecard and Challenge as well as the carrying capacity analysis. There will be a bulletin on innovation later in the year.○ The Secretariat will provide a more detailed update on the carrying capacity work in the next meeting. There are also two working IGEEES papers on multiple jobs and value-added which will be useful input.○ Date for the next Council meeting:<ul style="list-style-type: none">○ 27th July 2023 @ at 8.30am	