

Minutes for NCC Meeting 81

Meeting: National Competitiveness Council No 81
Venue: Buswells Hotel, Dublin 2
Date: 8:00 – 11.00, Thursday 19th February 2015

Members Present:

Prof Peter Clinch, Chair
Kevin Callinan, Deputy General Secretary, IMPACT Trade Union
Micheál Collins, Senior Research Officer, NERI - Nevin Economic Research Institute
Isolde Goggin, Chair, Competition and Consumer Protection Commission
Declan Hughes, Assistant Secretary, Department of Jobs, Enterprise and Innovation
Danny McCoy, Chief Executive Officer, Ibec
Sean O'Driscoll, Chairman and Chief Executive Officer, Glen Dimplex Group
Martin Shanahan, Chief Executive, IDA Ireland

Advisors Present:

John Callinan, Department of the Taoiseach
John McCarthy, Department of Finance
David Moloney, Department of Public Expenditure and Reform
Katherine Licken, Department of Communications, Energy and Natural Resources
Maria Graham, Department of Environment, Community and Local Government
Conan McKenna, Department of Justice and Equality
Ann Derwin, Department of Agriculture, Food and the Marine

Secretariat Present:

Adrian Devitt
Conor Hand

Apologies

Liam Casey, Chief Executive Officer, PCH International Ltd.
Isolde Goggin, Chair, Competition and Consumer Protection Commission
John Herlihy, Former Vice President, International SMB Sales and Head of Google Ireland
Heather Reynolds, Director, Eishtec
Siobhán Talbot, Group Managing Director, Glanbia
Deirdre McDonnell, Department of Education and Skills
Ray O'Leary, Department of Transport, Tourism, and Sport

<p>81.1 Introduction and welcome from Chair</p> <p><i>Initial session was attended by NCC members only. The Minister for Jobs, Enterprise and Innovation also attended</i></p> <ul style="list-style-type: none"> ▫ Following a welcome from the Chair and the introduction of new members, Richard Bruton TD, Minister for Jobs, Enterprise and Innovation addressed the Council. This was followed by a discussion between the Minister and members about the work of the Council ▫ The Minister noted the changing policy environment – in particular the need to target full and sustainable, quality employment ▫ He noted the importance and urgency of the NCC’s agenda, particularly the Council’s input into the Action Plan for Jobs. The Minister also highlighted the need to maintain the independence of the Council and the need for the Council to provide detailed, focused recommendations that address the tough issues confronting policy makers ▫ In terms of policy priorities, the Minister highlighted a number of issues including: <ul style="list-style-type: none"> ▫ The need to remain focused on the costs agenda ▫ The importance of entrepreneurship, scaling and innovation and the role of clusters etc. ▫ The role of talent in driving competitiveness ▫ The ongoing need to improve the general business environment (through for example the World Bank Doing Business process) <p><i>Following the Minister’s departure, the Advisors joined the meeting</i></p> <ul style="list-style-type: none"> ▪ The Chair welcomed all attendees, thanked retiring members (Don Thornhill, Shay Cody and Paul Sweeney) and welcomed new members (Kevin Callinan, Micheál Collins and Martin Shanahan (who was reappointed)) and advisors (Maria Graham and Ann Derwin) ▪ The Chair then provided an overview of the Minister’s discussion with the members. He also emphasised the independence of the Council ▪ Adrian Devitt provided an overview of the Council’s terms of reference and the responsibilities of members and advisors 	<p>No action required</p>
<p>81.2 Minutes</p> <ul style="list-style-type: none"> ▪ The minutes from meeting 80 were approved 	<p>No action required</p>
<p>81.3 Matters Arising</p> <ul style="list-style-type: none"> ▪ Conor Hand provided an update on activities since the last meeting – including the submission of the Competitiveness Challenge to the Cabinet Committee and Cabinet, and its subsequent publication (3rd December), and the submission and publication of the Submission to Action Plan for Jobs 2015 (13th January) ▪ The need to ensure NCC messages are fed into the policy system on an ongoing basis was highlighted by members as an essential element of ensuring implementation 	<p>No action required</p>
<p>81.4 Discussion on work programme 2015</p> <ul style="list-style-type: none"> ▪ Adrian Devitt presented on the draft work programme. The presentation noted that 4 reports (the Challenge, Scorecard, APJ Submission, Costs) were required either by the Minister, the Action Plan for Jobs or by the Council’s ToR. The significant time devoted by the Chair and secretariat to advocacy was also noted 	<p>Agreed that a shorter ICS would be produced (40-50 key indicators)</p>

<p>as a key item on the work programme</p> <ul style="list-style-type: none"> ▪ It was proposed that a concise ICS be produced in alternate years focusing on the key 40-50 indicators ▪ It was also proposed to merge APJ Submission into the Challenge to allow for earlier submission to the Minister and hence have greater impact on the development of the Action Plan for Jobs ▪ Following discussion by members, both proposals were agreed on the basis that this would free up resources, etc. that might be better used for other projects. ▪ The importance of engaging with the media was also noted ▪ The option for producing a topic specific statements over next 18 months was also discussed. A range of possible topics were suggested – in determining which topics to progress, members emphasised the need to identify those that really matter for competitiveness, and to select topics where the Council has the capacity to undertake work of real impact ▪ Finally, it was agreed that the secretariat and chair would undertake an exercise to review best practice and current thinking on national competitiveness to ensure that the work of the Council remains relevant and continues to evolve to reflect the most up-to-date thinking on competitiveness. It was envisaged that such a project would set the agenda for further competitiveness projects but would not necessarily lead to a published NCC Statement 	<p>Agreed to merge the Challenge and APJ Submission – whilst maintaining the distinction between short and medium term actions</p> <p>To progress the planned statement, the secretariat will develop a more detailed set of scoping documents for discussion (i.e. TOR for skills/talent, capital investment, and e-commerce/digital economy)</p> <p>Agreed that the Council would undertake this project on the competitiveness framework, and agreed that the secretariat should proceed to develop Terms of Reference etc. as appropriate</p>
<p>81.5 Discussion on draft Costs of Doing Business in Ireland 2015</p> <ul style="list-style-type: none"> ▪ Conor Hand made a short presentation on the draft costs paper, noting it is required under the Action Plan for Jobs. ▪ The key messages from the report were summarised as follows: despite improvements in costs, Ireland remains an expensive location. While cost competitiveness has improved, threats are emerging in relation to labour, property, business services. Currency effects have a significant impact on Irish competitiveness (weak euro currently boosts competitiveness) but Ireland cannot rely on benign exchange rates to maintain cost competitiveness. ▪ Following a discussion, the Council members were invited to email in final comments as soon as possible and were asked to sign off the report subject to comments being addressed 	<p>The report was approved for submission to the Minister, and for subsequent publication once comments are addressed</p>
<p>81.6 Any Other Business</p> <ul style="list-style-type: none"> ▪ It was agreed that a short submission to the D/Finance consultation on “The Potential of Taxation Measures to Encourage Development of Zoned and Serviced Land” would be prepared by the secretariat and circulation to members for comment before finalisation ▪ The next meeting of the Council is scheduled for 28th May 2015 	<p>Draft NCC submission</p>