

Minutes for NCC Meeting 83

Meeting: National Competitiveness Council No 83
Venue: Buswells Hotel, Dublin 2
Date: 8:00 – 11.00, Thursday 17th September 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
Louise Phelan, Vice President of Global Operations, Europe Middle East and Africa, PayPal
Ian Talbot, Chief Executive, Chambers Ireland

Advisors

Brid Cannon, Department of Agriculture, Food and the Marine
Katherine Licken, Department of Communications, Energy and Natural Resources
David Moloney, Department of Public Expenditure and Reform
Ray O'Leary, Department of Transport, Tourism, and Sport

Secretariat

Marie Bourke
Conor Hand
John Maher

Apologies

Liam Casey, Chief Executive Officer, PCH International Ltd.
John Herlihy, Former Vice President, International SMB Sales and Head of Google Ireland
Jane Magnier, Joint Managing Director, Abbey Tours
Heather Reynolds, Director, Eishtec
Dave Shanahan, Chief Executive, Adagio Ventures Commercialisation Partners
Sean O'Driscoll, Chairman and Chief Executive Officer, Glen Dimplex Group
Martin Shanahan, Chief Executive, IDA Ireland
Siobhán Talbot, Group Managing Director, Glanbia
John Callinan, Department of the Taoiseach
Maria Graham, Department of Environment, Community and Local Government
John McCarthy, Department of Finance
Deirdre McDonnell, Department of Education and Skills
Conan McKenna, Department of Justice and Equality

<h3>83.1 Minutes</h3> <ul style="list-style-type: none"> ▪ The chairman welcomed Marie Bourke as head of the NCC secretariat ▪ The Chair also noted that Eoin Cuddihy would be replacing Caoimhe Gavin in the secretariat and that Brid Cannon would now be replacing Ann Derwin representing D/Agriculture, Food and the Marine ▪ The minutes from meeting 82 were approved 	<p>No action required</p>
<h3>83.2 Matters Arising</h3> <ul style="list-style-type: none"> ▪ John Maher provided an update on activities since the last meeting ▪ The publication of Ireland's Competitiveness Scorecard and 4 competitiveness bulletins was noted – in particular the secretariat & chair's engagement with the policy system and media coverage on these publications was highlighted. The Scorecard was discussed at Senior Officials Group and noted at Cabinet, while the various bulletins generated significant interest amongst relevant senior policymakers and broadsheet coverage ▪ An update was also provided on the Competitiveness Framework Review – it was noted that following a competitive tender process, the contract was awarded to Dr Christian Ketels (Harvard Business School, European Business School), working in conjunction with Dr David Skilling (McKinsey Centre for Government, Landfall Strategy Group). A report is due to be submitted to the secretariat in late November. Thereafter, there will be engagement with Council members and advisors about the next steps in refining the Council's framework 	<p>Secretariat is undertaking external consultations in relation to the Council's existing Competitiveness Framework.</p> <p>Secretariat will engage with members and advisors once the report is received from Dr Ketels</p>
<h3>83.3 Ireland's Competitiveness Challenge 2015</h3> <ul style="list-style-type: none"> ▪ Conor Hand presented on the key messages and recommendations contained in the draft Competitiveness Challenge document ▪ It was emphasised that this year's report is a combined Challenge report and a Submission to the Action Plan for Jobs 2016 ▪ It was also noted that further consultation is required to refine the draft, and that the recommendations will be reviewed to ensure that they are impactful etc. ▪ The Chair outlined the importance of the Challenge Report and policy making across Government being underpinned by a solid evidence base. In this regard the availability of appropriate and timely data is key and where there are significant data gaps these should be highlighted by the Council ▪ Thereafter, members and advisors provided comments both on the overall report, and on individual chapters ▪ Members requested that additional text be included on childcare costs – emphasising that childcare costs directly impact upon labour supply and labour market participation. ▪ Given all of the data issues identified by the Council, it was agreed that a summary box on data requirements should be developed ▪ In Chapter 1 (Fiscal Sustainability), a number of clarifications were requested in relation to the section on income tax – in finalising the text, the complexity of the Irish tax system, its interaction with Social Welfare etc., and the need to tackle various anomalies should be noted 	<p>Secretariat to undertake consultations with key stakeholders as required</p> <p>The report was approved for submission to the Minister, and for subsequent publication once comments are addressed</p>

<ul style="list-style-type: none"> ▪ It was noted that sovereign wealth fund might be a better vehicle for long term planning than a national pensions reserve fund ▪ In Chapter 2 (Capital) amendments were requested to emphasise that a Site Value Tax should be accompanied by appropriate planning in order to deliver the right sort of development ▪ The importance of regional high speed broadband was also highlighted as a priority – and the need to be as ambitious as possible was also agreed ▪ In Chapter 3 (Costs of Doing Business), the rapid increase in insurance costs was noted and data issues, the Book of Quantum and the role of the Injuries Board were discussed ▪ In Chapter 4 (Talent) the Council requested that additional attention be accorded to the importance of increasing employer engagement ▪ In Chapter 5 (Access to Finance) it was noted that limited competition in the Irish banking sector is a reflection of the two pillar bank strategy. While a lot of work has been undertaken to resolve current issues, there is still a role for the SME State Bodies Group to maintain the momentum for reform ▪ In Chapter 6 (Productivity and Innovation), the effectiveness of R&D grants was considered. It was noted that productivity was not about just working harder, but about the State and employers supporting employees to deliver improved productivity performance. Enhanced productivity performance requires a mindset and cultural change – factors such as childcare, transport links etc. are required to support the employee 	
<p>83.4 Discussion on NCC Communications</p> <ul style="list-style-type: none"> ▪ Marie Bourke provided an overview of the draft Communications Position Paper. ▪ It was agreed that effective communication is integral to the work of the Council ▪ It was agreed that a regular update on the advocacy undertaken by the Chair and secretariat be provided to the Council 	<p>Updates on advocacy to be provided to the Council</p>
<p>83.5 Any Other Business</p> <ul style="list-style-type: none"> ▪ John Maher updated the Council on the implications of the Lobbying Act and the plan to publish NCC Meeting Agendas and Minutes on the website to comply with the Transparency Code ▪ The next meeting of the Council is scheduled for 10th December 2015 – depending on a number of diary issues being resolved, the date may need to be amended 	<p>It was agreed that the necessary steps to comply with obligations under the Lobbying Act via the Transparency Code would be progressed</p> <p>Secretariat to inform members about date of the next meeting</p>