

Minutes for NCPC Meeting 104

Meeting: National Competitiveness and Productivity Council No 103
Venue: WebEx
Date: 8.30 am – 10.30 am, Thursday 24 June 2021

Members Present:

Dr Frances Ruane, Chair
Ciarán Conlon, Director of Public Policy, Microsoft, Ireland
David Hegarty, Assistant Secretary, Department of Enterprise, Trade and Employment
Dirk Pilat, Deputy Director for Science, Technology and Innovation, OECD
Fergal O'Brien, Director of Policy and Chief Economist, Ibec
Isolde Goggin, Chair, Competition and Consumer Protection Commission
Leo Clancy, Chief Executive, Enterprise Ireland
Kevin Callinan, General Secretary, Fórsa
Martin Shanahan, Chief Executive, IDA Ireland
Margot Slattery, Sodexo Ireland
Micheál Collins, Assistant Professor of Social Policy, University College Dublin
Pat Beirne, Chief Executive Officer, Mergon Group

Advisors

Georgina Hughes-Elders, Department of Public Expenditure and Reform (standing in for David Moloney)
Oonagh Buckley, Department of Justice and Equality (Standing in for John O'Callaghan)
John McCarthy, Department of Finance
John Shaw, Department of the Taoiseach
Maria Graham, Department of Housing, Planning and Local Government
Patricia Cronin, Department of Communications, Climate Action and Environment
Ray O'Leary, Department of Transport, Tourism, and Sport
William Beausang, Department of Further and Higher Education, Research, Innovation and Science
Sinead McPhilips, Department of Agriculture, Food and the Marine

Apologies

Jim Woulfe, Chief Executive, Dairygold Co-operative Society Limited
Geraldine Hurley, Department of Social Protection

Secretariat

Oliver Gilvarry
Manus O'Donnell
Linda Kane
Patrick Condon

104.1 Chair’s Introduction, Minutes & Matter Arising

- The Chair informs the Council times she has represented the Council since the last meeting: The Second Working Session of the NPB Expert Group in which Evaluation of the Position and Performance of the Slovak National Productivity Board was discussed, the Chair has engaged with The Ulster University Economic Policy Centre and taken part in their group consultations, chaired the IIEA Webinar discussion on Europe and the Global Economy, the Chair and the Secretariat have made a submission as part of the public engagement process in the development of the Central Bank of Ireland’s new Strategic Plan 2022-2024.
- The minutes from NCPC meeting 103 were approved.

104.2 Ireland’s Competitiveness Challenge 2021

Proposed Structure

- The Chair introduced the Challenge 2021 document, The Secretariat proposal is to have two chapters at the core of the document. The first chapter would focus on the short term, the second chapter would focus on how Ireland needs to adapt to a changing world in the more medium/long term.
- The Chair highlighted that it will be necessary to focus on a limited set of recommendations as to ensure that they are actionable.
- The Secretariat presented the outline for the Challenge 2021 report with the three main sections of the report encompassing: Immediate Issues facing the Irish Economy, A New Way of Living and A New Way of Working.
- The Secretariat asked the Council to give their view on short-term risks to Ireland’s competitiveness or productivity as well as the topics listed in the New Way of Living and New Way of Working Sections.

Secretariat to consider the feedback and revert to the Council

Members comments:

- Members proposed that the Council needs to be firm on the issue of Fiscal Discipline. There was wide agreement in the view that the government should not play a role in propping up unviable firms and that Government must direct fiscal resources to where they are needed. However, it was agreed that there is a need to support viable businesses.
- Members agreed that the Competitiveness Challenge has never been as important as this year’s edition.
- Certain members brought up the current discussion of global tax reform and the need to incorporate this into the Challenge.

- The importance of international connectivity to the competitiveness of Ireland's economy was discussed. Air routes which have taken years to build up may be tough to recover.
- Many members discussed the need to prioritise housing in the Challenge.
- The planning system was also discussed, member feared that in future Ireland could lose investment due to planning system. Members raised that planning processes are holding up the construction of projects, especially so in the renewable energy sector and the need for reforms in the legal and planning system as to reach climate, housing and retrofitting targets
- Certain members disagreed with the focus on immediate challenges and stressed the need for a more visionary approach.
- The centrality of the issue of climate change and sustainability in terms of competitiveness and productivity was discussed. It was emphasised that action needs to be taken now to achieve ambitious climate targets by 2030.
- It was mentioned that Government need to proactively facilitate companies in digital to remain competitive.
- Many Council Members raised the issue of cyber security and that it should be included in the Challenge Report.

104.3 NCPC Bulletins 2021

- The Secretariat presented on the NCPC Bulletins to date:
 - Insurance costs (February)
 - OECD Going for Growth (April)
 - Remote Working and Productivity (May)
 - IMD Competitiveness Ranking (June)
- The Secretariat outlined that the Bulletins have generated a lot of press coverage in key national and regional outlets. As well as receiving public comments from the Government.
- The Secretariat also outlined what they had identified as potential bulletins over the remainder of 2021:
 - Firm Dynamism and Productivity (September)
 - World Economic Forum Competitiveness Ranking (October)
 - Public Sector Productivity: Evidence? (November)
 - Brexit: One Year of Adjustment (December)

<p>Members comments:</p> <ul style="list-style-type: none"> ○ A member raised that the OECD has conducted a survey on the impacts of remote working on productivity, with a note due soon. ○ A member stressed the importance of the Bulletin on Brexit and that its release in December will be timely. ○ Members voiced their support for the current bulletins schedule and their impacts. 	
<p>104.3 NCPC Strategic Review - Progress Update</p> <ul style="list-style-type: none"> ▪ The Secretariat presented a general update on the Strategic Review. The Secretariat noted that good progress has been made on all the Action Points from the Strategic Review, including updating the communications strategy with the move to publish more bulletins, instituting a new welcome pack for new Members, and updating the Council's Terms of Reference and branding. ▪ The Secretariat noted that discussions are underway for a research programme to be put in place between D/ETE & ESRI ▪ The human side of productivity and the aspects of cultural diversity and skills were brought to attention of the Council. The Secretariat highlighted the ongoing work on productivity in Ireland such as the imminent publication of the CSO's productivity report and how this will feed into the Council' recommendations to government. 	<p>Secretariat to update Council in the next meeting</p>
<p>AOB</p> <ul style="list-style-type: none"> ○ The Chair reminded members that a draft document of the challenge will be circulated by the end of July and will be available for comments. ○ The Chair stressed the need to tackle short term issues but in an agile way that does not lead away from the attainment of long-term goals. ○ Dates for the next Council meeting. <ul style="list-style-type: none"> - 23 September 2021 	