



Government plan for 20,000 new manufacturing jobs by 2016 – Minister Bruton, Minister Quinn

Forfás and Expert Group on Future Skills Needs prepare strategies aimed at delivering on potential for 43,000 new jobs in the sector by 2020.

The Government today (Monday) published its plans for 20,000 additional jobs in the manufacturing sector by 2016.

The Minister for Jobs, Enterprise and Innovation, Richard Bruton TD, and the Minister for Education and Skills, Ruairi Quinn TD, published strategies prepared as part of the Action Plan for Jobs.

Last year Minister Bruton tasked a group led by industry experts with coming up with a plan to deliver on the Government's target of 20,000 additional jobs in the sector. The strategies launched today, prepared by Forfás and the Expert Group on Future Skills Needs, are aimed at delivering on that ambition.

Key actions are proposed across a range of areas, including; access to new funding, management training and support, costs reduction and technology adoption.

Among the specific measures proposed are:

- A new start-up Fund run by Enterprise Ireland specifically targeting supports for new manufacturing start-ups;
- Enterprise Ireland to introduce a new Capability Fund to support capital investment by manufacturing companies;
- EI and IDA to target additional financial supports for R&D investment specifically targeted at engineering firms;
- A new National *Step Change Initiative* available to all EI and IDA client companies that will systematically support manufacturing companies to
 - expand their client base through staff training and Peer Learning,
 - improve their adoption of new technologies and embrace R&D,
 - accelerate collaboration between companies in similar sectors to generate greater efficiencies in areas like global sourcing,
- Proposals to maintain or reduce costs to manufacturing companies across areas like energy, waste, regulation, tax etc.

- Better targeting of training at skills shortages in the manufacturing sector through the implementation of the Manufacturing Skills study.

The plan will be implemented and monitored as part of the Action Plan for Jobs process, driven by the Department of the Taoiseach.

The Ministers made the announcement today at Prodieco, an Irish manufacturing company established in 1962 which in recent years adapted to changing trends and now exclusively supplies packaging to the pharmaceutical industry, employing 130 people.

Minister Bruton said:

“Despite a substantial decline over the past decade, manufacturing is a crucial sector employing over 200,000 people directly and a similar number indirectly. We in Government believe that the sector has substantial capacity for jobs growth, and that is why we decided two years ago to examine new ways of targeting support at manufacturing.

“The industry-led forum which we established to drive change in this sector has made real progress, and the strategy laid out today by Forfás shows that our Action Plan for Jobs target of 20,000 additional jobs in the sector by 2016 is achievable with the right supports from Government.

“Here in Prodieco we can see at first hand what is possible in this sector for companies who show willingness to change and pursue new opportunities for growth. I am determined to ensure that we implement change, support more companies to change and pursue new growth markets, and create the jobs we need”.

Minister Quinn said, “It is clear from the report we are publishing today that manufacturing remains a key employer in this country – but the needs of this sector like a lot of other sectors are evolving rapidly. In order to maximise opportunities for growth and attracting investment, we need to ensure our people are offered opportunities to upskill and reskill in order to have the relevant, quality skills needed to avail of current and future job opportunities in this sector.

“I am confident we can do this: Irish people are problem solvers, we are innovative, we are flexible and adaptable to change, combined with our technical expertise we can work in multi-disciplinary teams and with different cultures.

“The Forfas Strategy and complementary report from the Expert Group on Future Skills Needs set out clearly what we need to do in order to address the future skills challenges and the existing small but important number of skills gaps in the new era for Manufacturing. . Already my Department through the HEA, FAS and Skillnets are addressing some of these challenges through upskilling and reskilling conversion programmes such as, Springboard 2013 and Momentum. But, as the report identifies, we also need to show jobseekers, school-leavers and their parents clearly the job opportunities and career paths that still exist in manufacturing.”

Martin D. Shanahan, Chief Executive, Forfás commented, “Today, the manufacturing sector in Ireland employs 205,700 people directly, and as many people again indirectly. We need a continued and concerted effort to address the barriers to growth in manufacturing. The employment outlook for the sector depends critically on addressing domestic competitiveness factors and a favourable international trading environment. Companies are operating in an intensely competitive global arena and although Ireland’s cost competitiveness has improved over recent years, it is imperative that we continue to drive structural change and sustained improvements in our competitiveness. A further improvement in our cost competitiveness is required to assist the manufacturing sector to grow. Access to finance for Irish firms is continuously highlighted to us by companies as the number one issue.”

NOTES FOR EDITORS

The strategy highlights the changing nature of manufacturing globally and the opportunities that this creates for Ireland. Forfás also states that if Ireland is to achieve the potential that manufacturing offers for job creation that barriers to growth must be addressed, specifically, relative cost competitiveness and access to finance.

A study from Forfás and the Expert Group on Future Skills Needs on the skills needs of the manufacturing sector was also launched, which addresses in detail the skill requirements of the manufacturing sector in Ireland to 2020 and makes recommendations to ensure the skills needs of the industry are met.

Making it in Ireland - Manufacturing 2020 and the Future Skills Needs of the Manufacturing Sector are available on www.forfas.ie

FORFAS STRATEGY

Areas of Opportunity

Making it in Ireland - Manufacturing 2020 sets out a range of actions by Government and its agencies to realise the potential for manufacturing to 2020. The following areas of opportunities are identified in the report:

- Maintaining what we have and building on strengths in pharma/biopharma, medical technologies, food, ICT, engineering, and off-site manufacturing (construction);
- Adapting and responding to globalisation and focusing on activities such as global supply chain networks, contract manufacturing, new product introduction and manu-services; and
- Developing and adopting new technologies and materials, including ICTs and lean principles to enhance sustainability, productivity and competitiveness.

Taking action

The report sets out a suite of 63 actions under four headline areas encompassing the business environment and firm level including:

1. Redressing Perceptions

2. Addressing Barriers to Growth

- Delivering structural improvements for cost competitiveness
- Retaining a competitive and pro-business tax regime
- Addressing funding issues for capital intensive manufacturing activities

3. National Step Change Initiative

- **Productivity**
Facilitating access to a common suite of advisory services, benchmarking tools, peer networks and in-firm training (such as the Leadership4Growth programme) regardless of firm ownership.
- **International reach**
Focusing on targeted skills development, peer learning and collaboration; continued focus on developing strategic trade relations; and facilitating manufacturing companies to work together to bring complementary products/services together to capture market opportunities.
- **Innovative capabilities**
Increasing firm level engagement in R&D and including those less active to date (such as foreign owned engineering firms); enhancing support measures for technology adoption by firms that is 'new to them'; determining industry research needs with particular reference to engineering which has been relatively underrepresented to date; and assessing the feasibility for establishing an applied research technology organisation (RTO).
- **Connections and collaboration**
Implementing the Global Sourcing initiative to optimise the proportion of goods and services procured by MNCs from Irish sources; raising awareness amongst SMEs with regard to standards and accreditation and through increased collaboration by the agencies to identify new areas of opportunity (including for example nutraceuticals, combination products) and support nascent areas of growth.
- **Strengthening Ireland's focus on indigenous potential: start-ups and scaling**
- **Developing Ireland's people for manufacturing – Making the difference – the actions set out draw from the more in-depth complementary skills report.**

4. Infrastructures

- Prioritising investment in infrastructures for manufacturing

FORFÁS AND EXPERT GROUP ON FUTURE SKILLS NEEDS REPORT

Skills for Manufacturing

- The Forfás and EGFSN report *Future Skills Requirements of the Manufacturing Sector to 2020* notes that there are skills shortages currently within manufacturing, though not of significant scale.
- Nonetheless, many of these shortages are critical at an operational level to manufacturing firms due to the technical expertise they provide and it is therefore vital that they are addressed.
- The report highlights current and future shortages in areas such as toolmaking, machinists, supervisors, polymer technicians and across a number of engineering disciplines.
- More broadly, the report also highlights the importance of continuous upskilling requirements across all occupations.
- The manufacturing sector needs to do more to promote and boost the attractiveness of manufacturing as a career choice. There are highly varied and rewarding career paths within the sector, with good potential for mobility, however, these are often not apparent to students or those working outside of the sector.

The full report, *Future Skills Requirements of the Manufacturing Sector to 2020*, with a detailed breakdown of recommendations and next steps for addressing skills requirements of the manufacturing sector is available on the EGFSN website, www.skillsireland.ie and the Forfás website, www.forfas.ie.

End Notes

- Agency-supported manufacturing firms contributed €75 billion to exports in 2011 – a considerable increase from the €58 billion in 2000.
- Manufacturing is a key driver of innovation and companies invested €740 million in R&D in 2009¹.

About Forfás

Forfás is Ireland's policy advisory board for enterprise, trade, science, technology and innovation. It provides independent and rigorous research, advice and support in the areas of

¹ Latest data available

enterprise and science policy. This work informs the Department of Jobs, Enterprise and Innovation and wider Government. Forfás works with IDA Ireland, Enterprise Ireland and Science Foundation Ireland to ensure the coherence of policies across the enterprise development agencies.

The published advice of Forfás is available at www.forfas.ie

Forfás manages the work of and provides research and analytical support to:

- Advisory Council for Science, Technology and Innovation www.sciencecouncil.ie
- Expert Group on Future Skills Needs www.skillsireland.ie
- National Competitiveness Council www.competitiveness.ie

Forfás manages the accreditation services of the Irish National Accreditation Board (INAB) www.inab.ie

About Prodieco

Prodieco is the leading independent supplier of blister pack tooling and blister science services.

Prodieco has a global customer base, world class technology and expertise in research and development. Prodieco Ireland was formed in 1962 as a precision engineering company providing tool making services to mainly Irish industry. The company grew over the next two decades supplying a multinational customer base in the press tool industry.

In the 1980's and 1990's Prodieco's export business expanded, providing engineering services to a variety of high volume production industries. This included serving the growing demand for blister pack pharmaceutical tooling. Through this period, the expertise that is at our core today was formed, as were extensive links with other companies at the forefront of blister pack tooling technology.

Since 2000, Prodieco has operated exclusively in the pharmaceutical industry, solely supplying blister pack tooling. Recruitment and training throughout this period has produced employees that are the envy of other companies in the sector. Coupled with the most modern technology available, the result is a class leading company, widely known as the global partner of choice for pharmaceutical blister pack tooling.

About the EGFSN

The Expert Group on Future Skills Needs (EGFSN) advises the Irish Government on current and future skills needs of the economy and on other labour market issues that impact on Ireland's enterprise and employment growth. It has a central role in ensuring that labour market needs for skilled workers are anticipated and met.

The work of the EGFSN is managed by Forfás. The research and analysis conducted for the EGFSN is undertaken by Forfás and the Skills and Labour Market Research Unit of FÁS.

www.skillsireland.ie