

## Department of Business, Enterprise and Innovation - APJ 2018 High Level Consultation Forum

### Farmleigh – 6 November 2017

In November 2017, An Tánaiste and Minister for Business, Enterprise and Innovation, Frances Fitzgerald, T.D. hosted the APJ 2018 High Level Stakeholder Engagement Forum in Farmleigh. Minister Breen, Minister for Trade, Employment, Business, EU Digital Single Market and Data Protection also attended. The Forum was addressed by An Taoiseach. (the agenda is provided in Appendix 1).

In preparation for the Forum, a number of stakeholder groups were consulted by way of roundtable discussions with the Tánaiste. There was also an open call for submissions from the public. The Forum provided stakeholders with an opportunity to contribute to the selection of the actions for the Action Plan for Jobs for 2018. This discussion was facilitated by Peter Clinch, Professor of Public Policy, UCD. Over 100 stakeholders attended (details about the invitees are provided in Appendix 2).

**In the opening remarks**, the Tánaiste welcomed the attendees, set out the background for APJ 2018 and outlined that the Government's aim to focus on a 40/50 impactful actions. She set out the objective of the Forum to contribute to the selection of the actions to be included in the APJ 2018. Minister Breen also addressed the group and outlined his main interests: the mitigation of the impact of Brexit on the cross-border trade, the identification of unexploited opportunities for growth associated with the digital single market, and how to build on job creation momentum in the regions.

**The first session "Building Resilience – Challenges and Opportunities for Enterprise and Job Creation"**, involved three presentations/speeches:

- Why enterprise sustainability really counts (Professor Frances Ruane, Associate Professor of Economics, TCD and former DG of the ESRI)
- The experience of a new indigenous enterprise (Ms. Sara Mitchell, Founder, Poulet Bonne Femme)
- Innovation for resilience (Dr. Martin Curley, Senior Vice President, Maynooth University and Mastercard)

**The address by An Taoiseach** set the policy context of the APJ 2018 referring to enterprise policy, fiscal policy and public expenditure. He outlined that the Government will continue to assist businesses to improve their competitiveness, boost their innovation performance and intensify their international trade.

**The second session** involved a presentation (Declan Hughes, Assistant Secretary, DBEI) on the impactful actions identified during the consultation process. The themes for the subsequent roundtable discussions on the short list actions for the APJ 2018 were:

- Brexit – National and Firm Level Preparedness
- Intensifying and Diversifying Trade
- Long Term Financing
- Increasing Labour Market Participation to European Level
- Skills for Employability and Enterprise
- Transforming Sectors and Driving Productivity and Competitiveness
- Developing a Competitive Environment for Business
- Strengthening the Research and Innovation Ecosystem
- Stimulating Regional Growth

**The final session** garnered feedback from the roundtable discussions.

The discussions of the roundtable feedback session are summarised below.

#### **Brexit - National and Firm Level Preparedness**

In addition to agreeing that a national business preparedness campaign and specific support for vulnerable but viable firms would be beneficial. The Government should development and publish of a Brexit Implementation Plan. Such plan would allow firms to prepare for the potential negative impacts of Brexit based on identified scenarios. The Forum also highlighted consensus on the need to:

- Diversify and intensify our trade to anticipate the structural shift in our trading relations with the UK.
- Facilitate companies' access to longer term finance for sustainability and growth.

#### **Intensifying and Diversifying Trade**

The most impactful actions identified were:

- Providing a range of tax, grant and in-market supports to meet enterprise needs (e.g. working capital for export oriented SMEs, recruitment of experienced local skills, hot desking facilities)
- Raising Ireland's visibility on the ground with trade missions (doubling of the impact of Ireland's Global Footprint) and financially supporting attendance at trade shows
- Increasing efforts towards exporting with the Eurozone and the US as well as some focus on new emerging markets
- Increasing the links and communications between SMEs and foreign owned MNCs via IDA and EI
- Incentiving exports through the use of an expansion of foreign earning deductions
- Intensifying digital marketing

### **Long Term Financing**

The attendees expressed their support for the proposed business advisory hub or any initiative facilitating access to finance to mitigate and contain the effect of BREXIT and other sources of finances including equity and angel funds. The importance of match-making between private investors (e.g. Venture funds) and Irish enterprises and companies in need of funding was also highlighted.

### **Increasing Labour Market Participation to European Level**

Labour market participation discussion focused on

- Removing disincentives to work (increasing awareness of welfare to work schemes, reducing to cost of childcare)
- Facilitating access to employment by people with disability and developing role models for employers and potential employees
- Improving the quality of information provided to job seekers in relation to employment opportunities and re-skilling/upskilling
- The potential role of professional bodies stimulating part-time/flexible work opportunities to increase participation in the labour market of their members who do not wish full time positions.

### **Skills for Employability and Enterprise**

Skills and talent availability were mentioned as key priorities for businesses. It was mentioned that housing shortage is creating significant recruitment difficulties. Support was expressed in favour of actions that would

- Facilitate enterprise skills planning and the identification of skills gaps at a local level local (the positive role of the Regional Training Fora was mentioned)
- Enhance the delivery for skills gaps at local level – and engagement with SMEs (e.g. via Skillnets places, off-campus learning options)
- Facilitate Middle Management Training and Development, in particular for those outside urban centres
- Support in-company training/lifelong learning (the introduction of training vouchers was mentioned)
- Develop a successor to the ICT Skills Action Plan
- Support a pipeline of workers with experience and skills in technical skills via apprenticeship
- Incentivise participation (e.g. with additional leaving cert points) of second students in complex projects e.g. Young Scientist Awards or Young Social Innovators awards or Gaisce awards to learn other skills.

### **Transforming Sectors and Driving Productivity and Competitiveness**

The discussion points were as follows:

- The participations identified three approaches to driving productivity: a technology approach, a sectoral approach or firm level approach
- Digital transformation - a mega trend – is likely to challenge indogenous firms (more than foreign owned companies who have capability in this area)
- To encourage digital transformation:
  - Develop a digital health check tool (similar to the Brexit scorecard) using the relevant ISO standards as a benchmark
  - Establish a Digital Technology Centre to facilitate digital transformation, including the acquisition of new digital skills
  - Develop digital skills at second level through short courses
- Obstacles to technology adoption and ways to facilitate technology adoption were explored, with a focus on the construction sector. It was noted that
  - The structure of the construction industry with multiple layers of contractors is not conducive to innovation diffusion
  - A nR&D Centre for construction and/or a Centre of excellence could drive innovation in the sector, (e.g. new construction methods and materials) by increasing the interactions between various occupations and trades, harnessing excellence (e.g.

excellence of exporters providing construction services remotely using digital technologies) and developing apprenticeships

- A systematic approach to technology transfer was required to ensure that technology transfer goes beyond the spin out companies or the companies directly involved in SFI centres
- A New Way of Working Initiative could be developed at a national level to create opportunities to discuss “productivity driving changes” at firm level. Such initiative could drive the development of space/ hubs for remote work (e.g. digital hubs in Cork and Kerry).

### **Developing a Competitive Environment for Business**

The discussion focused on the following themes:

- Develop a more cohesive approach to dealing with indigenous enterprise to ensure that companies with 10 to 250 employees that are not exporting have access to supports
- Intensification of collaboration/networking of SMEs and MNCs
- Facilitate SMEs engagement with public procurement

### **Strengthening the Research and Innovation Ecosystem**

Stakeholders acknowledged that the development of new products and services and the adoption of new more efficient production and distribution processes are key to company profitability and growth.

R&D is also key to start ups in new sectors. Stakeholders were in favour of

- The funding of new research centres and Technology Gateways centres, including the funding of centres developing for close to market innovation
- The launch of a campaign to promote EI’s innovation offer and develop joint awareness raising campaigns of the range of state supports available from IRC, Teagasc, SFI, EI, IDA
- Initiatives stimulating the cooperation between large firms and small firms comparable to Horizon 2020 – the European fund for R&D

### **Stimulating Regional Growth**

The forthcoming spatial strategy were discussed and positive developments were noted:

- Alignment of the National Planning Framework (NPF) with the 10 years national capital plan
- The NPF will build confidence in the regions / outside the main 5 urban centres with investment, new employment opportunities
- The positive role played by Technology centres and regional skills fora in terms of collaboration between industry-education-local authorities/agencies

Regional growth can be stimulated by

- Incubators and innovation centres, building on regional strength: they facilitate innovation diffusion and networking for entrepreneurs
- Strengthening the entrepreneurial capabilities of the regions to ensure that entrepreneurs can take advantage of new market opportunities as well as the changing nature of work and workplaces

Appendix One: Agenda

*High-level Consultation Forum on the  
Action Plan for Jobs 2018: Building Resilience*

*Farmleigh House, 6 November, 2017*

*10.00 a.m. to 1.00 p.m.*

MC: Prof. Peter Clinch, Professor of Public Policy, UCD

09:15	Registration Tea and Coffee
10:00	Welcome and Introductions An Tánaiste and Minister for Business, Enterprise and Innovation, Frances Fitzgerald T.D. Minister of State for Trade, Employment, Business, EU Digital Single Market and Data Protection, Pat Breen, T.D.
10:20	Session 1: “Building Resilience - Challenges and Opportunities for Enterprise and Job Creation” Prof. Frances Ruane, Associate Professor of Economics, TCD and former DG of the ESRI Ms Sara Mitchell, Founder, Poulet Bonne Femme Dr Martin Curley, Senior Vice President, Mastercard
11:00	Session 2: Feedback on stakeholder proposals for APJ 2018 received to date Mr Declan Hughes, Assistant Secretary General, DBEI Roundtable discussions on key themes for Action Plan for Jobs 2018
11.30	Remarks by An Taoiseach, Leo Varadkar, T.D.
12.00	Session 3. Feedback from Roundtables and Discussion of Key Actions identified
12:55	Closing remarks by An Tánaiste
13:00	Lunch to continue networking

## Appendix Two: Invitees

Invitations were sent to approximately 300 people, with over 100 attending. The invitee list included:

- Business Leaders
- Employer Representative Groups
- The Community and Voluntary Sector
- Employee Representative Groups
- Department Officials
- Representatives of State Agencies