

# Statement of Strategy 2016 - 2019



An Roinn Post, Fiontar agus Nuálaíochta  
Department of Jobs, Enterprise and Innovation

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## Foreword

I welcome the publication of this Statement of Strategy. Considerable progress has been made in response to the significant challenges that have faced us as a country over recent years. The Department of Jobs, Enterprise and Innovation, together with its Offices and Agencies, has played a key role in many areas that are central to our economic recovery, particularly in aspects that have supported the creation of high quality, sustainable enterprises and jobs. Our focus now must be to protect and build on the success achieved to date and to broaden its reach further across all regions of the country, whilst continuing to face ongoing and emerging challenges and uncertainties, particularly in the context of Brexit and other global developments. We have an ambitious programme of work that will ensure that our priorities are achieved in the coming years and I have confidence in the calibre and commitment of the Department's staff that we can collectively meet the challenges in the period ahead.

***Mary Mitchell O'Connor, T.D.***  
***Minister for Jobs, Enterprise & Innovation***

Our Statement of Strategy 2016 – 2019 builds on the work already achieved across the wide remit of the Department. We have set out clear goals aimed at delivering the commitments assigned to us in the Programme for Partnership Government 2016. These goals are set in the context of new and emerging challenges and opportunities, particularly Brexit and ongoing global developments. We have also set out the high level targets and outcomes by which we will evaluate and judge our performance.

Our team is highly committed and talented. We will work collaboratively with colleagues across Government, business, other stakeholders and at EU and international level to lead and deliver our shared agendas.

The vision, mission and goals outlined in this Strategy will guide the annual business planning process, across our divisions and business units. Progress on delivery will be monitored and reviewed on an ongoing basis.

***Dr Orlaigh Quinn***  
***Secretary General***

## **Our Vision**

We will make Ireland the best place to succeed in business, delivering sustainable full employment and higher standards of living across all regions of the country.

## **Our Mission**

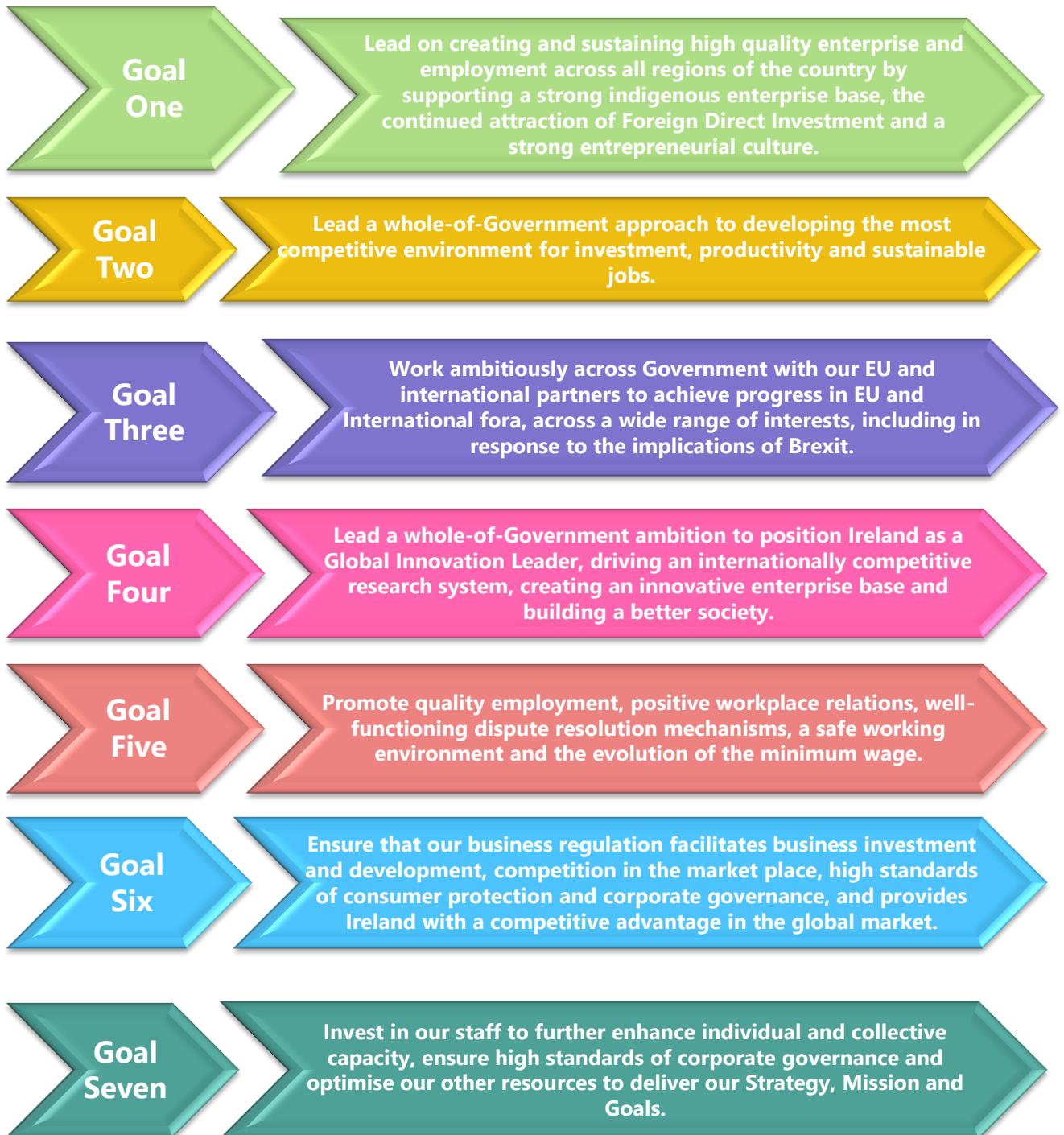
We will lead on the creation and maintenance of high quality and sustainable full employment across all regions of the country by championing enterprise across government, by supporting a competitive enterprise base to incentivise work, enterprise, trade and investment and by promoting fair and competitive markets.

## **Our Values**

As a Department we foster a culture of accountability, efficiency and value for money, which is rooted in a public service ethos of independence, integrity, impartiality, openness and respect.

As Civil Servants we espouse the highest standards of professionalism, honesty, objectivity and quality, which are central to fulfilling our roles in supporting the democratic process and serving the people.

## Our Goals



## Introduction & Context

### About Us

The Department of Jobs, Enterprise and Innovation (DJEI) plays a key role in implementing the Government's policies of stimulating the productive capacity of the economy and creating an environment which supports job-creation and jobs maintenance. The Department also has a remit to promote fair competition in the marketplace, protect consumers and safeguard workers. Through its Agencies and Offices, the Department's remit covers a wide range of activity including:

- Facilitating the start-up and growth of indigenous enterprises,
- Attracting Foreign Direct Investment,
- Increasing exports,
- Improving competitiveness,
- Promoting innovation and growth through investment in research and development,
- Promoting fair competition for businesses and consumers,
- Ensuring fit for purpose, modern company law,
- Safeguarding the rights of workers, including their entitlement to occupational safety and health,
- Supporting and facilitating a positive industrial relations environment,
- Making evidence based policy, informed by research, analysis and robust evaluations,
- Identifying the future skills needs of enterprise, and
- Representing Ireland's interests in relevant EU fora, including the Competitiveness Council (incorporating Internal Market, Industry and Research), the Employment and Social Affairs (EPSCO) Council, and the General Affairs Council (meeting in its Trade formation) and relevant WTO, ILO, OECD and WIPO fora.

### Progress in Recovery but Challenges Remain.....

The Department, together with its Agencies and Offices and working across Government, has played a significant role in addressing the major challenges that have faced us as a country over recent years. This collaborative effort has contributed to the turnaround experienced in the Irish economy, increasing the number of people at work and strengthening Ireland's enterprise economy and performance. Over this period we have delivered significant success, as indicated by;

- Since the first Action Plan for Jobs was launched in Q1 2012, almost 190,000 more people are at work bringing total employment in the State to 2,027,100 in Q3 2016.
- Total employment increased by 2.9% in the year to Q3 2016. Over the same period, full time employment increased by 2.9% and part time employment by 2.8%.
- The unemployment rate was 7.2% in December 2016, down from a high of 15.1% in early 2012.
- Employment and productivity growth of between 2.5% and 3.0% per annum respectively.
- Record indigenous exports of €20.6bn in 2015.
- Record FDI project wins at 244 in 2016.

Notwithstanding these achievements, further progress is needed, particularly in the context of recent international developments.



Whilst continuing to face new and emerging challenges, our focus is on protecting and building on the progress achieved to date and broadening its reach across all regions of the country where the pace of progress needs to be accelerated through targeted supports for enterprise and job creation.

The globalised economic environment and ever more interconnected world in which we operate is becoming increasingly complex. Global economic uncertainty remains high and global challenges demand a heightened emphasis on ensuring that Ireland's interests are strongly represented and robustly defended, and reflected in international decisions which support our jobs and competitiveness agenda. Changing international developments presents us with many challenges and opportunities in relation to competition for mobile investment and the development and growth of indigenous business.

The outcome of the UK referendum in June 2016, in favour of leaving the EU, and the related uncertainty, present immediate and significant challenges for Irish business and for all aspects of the Department's remit and in our engagement at the EU and the WTO. While the ultimate implications of the UK's exit from the EU are unclear, there will be short term and long term implications across a range of policy areas which directly impact on job creation and retention and it represents a particular risk to some enterprise sectors. In many cases, these sectors are particularly labour intensive, have lower profit margins, and have a strong regional footprint.

Collaboration with colleagues in other Government Departments and Agencies, to ensure a whole of Government response to the challenges and opportunities from Brexit and other international developments, together with constructive engagement at relevant EU and international fora by Departmental officials will be central to our response. We will work collaboratively to ensure the most advantageous outcome for Ireland and for the EU to minimise the impact on enterprise, employment and growth. We will participate actively in the new structures put in place by Government, including the new Cabinet Committee on Brexit, to deliver a comprehensive, whole-of-Government response to the challenges and opportunities for the State. We have put in place a Brexit Unit, within the Department, to coordinate on implications across the wide remit of the Department and to link in with the work of our Agencies and the wider Government structures. We have already allocated additional resources in a number of areas, including an additional €3 million to support Enterprise Ireland and IDA Ireland putting more resources in target markets to help Irish businesses export more and to attract in new investment.

A key feature of the Irish business model is a business taxation regime that supports entrepreneurship and job creation. We will continue to work collaboratively with colleagues across Government to help influence the debate around corporate taxation to ensure that when decisions are taken on job creating investments around the world, Ireland remains at the very top of people's lists. That means keeping our offer to investors fresh and relevant. The Government has made it clear that our 12.5 per cent rate of corporation tax will remain a central plank of what we have to offer.

There are significant challenges and opportunities presented for many businesses from the evolution of the digital market, which has and will continue to change how business is done internationally. We must build on our strengths in particular sectors, for example, the ICT sector, to take advantage of opportunities in these areas.

We will continue to build on the strong culture of innovation and entrepreneurship to strengthen our enterprise capacity and ensure the right mix between foreign and domestic enterprise.

We need to see greater diversification of export markets, reducing dependency on individual countries and we will support business in this. New and emerging markets present significant opportunities for trade and investment growth and international trade agreements can be leveraged to create opportunity in this area. We will also intensify our focus on building and sustaining existing markets and use to our advantage our location, close to large, affluent markets, which offers opportunities to Irish companies to grow sales and exports.

Ireland's unemployment rate remains a challenge, particularly youth unemployment and unemployment at regional levels and we must work collaboratively to achieve the targets to reduce unemployment to the levels set out in the Programme for Partnership Government.

Ireland has a world class talent pool that is responsive to the changing and diverse needs of the economy and this is a key strategic strength. However, there are skills shortages for business in certain areas and we will continue to seek to address these with our colleagues in the Department of Education and Skills. Ireland also has a strong entrepreneurial ecosystem which supports and attracts innovative start-ups that can scale up in international markets.

We will maintain our focus on competitiveness and we must respond collectively to indications of upward cost and competitive pressures. We must ensure that productivity levels are balanced across the economy and compare favourably with comparator countries.

We will also continue to promote our strength as a location for ease of doing business and one where there are high standards of business regulation and corporate governance.

Investments in RD&I remain below comparator countries and the proportion of enterprises engaging in research and innovation is too low. We want to see more Irish enterprises investing in research and development, more collaboration between foreign and Irish owned enterprises and between enterprises, universities and institutes of technology.

Our response to these challenges and opportunities will be reflected in the delivery across all goals in our Strategy.

## Programme for Partnership Government 2016

The Programme for a Partnership Government (PfPG) re-affirms Ireland's strong commitment and ambition for enterprise and jobs. It acknowledges the significant progress made in the last five years and the importance of maintaining this progress and creating or rebuilding sustainable sectors which can support continuing strong growth. It commits to an ambition of full employment and implementing plans to deliver new sectoral and regional opportunities to underpin that ambition and which can create the room in our public finances to meet urgent ambitions in other areas.

Specifically, the PfPG targets

- 200,000 extra jobs by 2020, including 135,000 outside of Dublin
- a reduction in the national unemployment rate to 6%
- facilitating the return of at least 70,000 emigrants
- prioritising balanced regional development, and aims for an unemployment rate in each county that is within one percent of the State average by 2020



The PfPG commits to achieving the ambitions set out in 'Enterprise 2025' and recognises that, supported with the right policy mix, Irish enterprise can deliver performance to match these ambitions.

The PfPG also highlights the importance of quality employment, appropriately determined minimum wages, collective bargaining, well-functioning dispute resolution mechanisms and a safe working environment. These areas will feature strongly on the Department's agenda over the period covered by this Strategy Statement.

A list of the PfPG actions for delivery by DJEI can be found at Appendix 1.

## Update since 2015 – 2017 Strategy

Since our last Strategy was published in early 2015:

- While the overall functions and responsibilities of the Department did not change following the coming into office of a new Government, the environment in which we operate has and is being impacted by, as already set out, a number of significant external factors.
- *Enterprise 2025*, which was adopted by Government in November 2015, sets out a long term strategy for the development of enterprise and job creation. This provides important direction for our ambition over the period of the new Strategy.
- Regional Action Plans for Jobs have been developed and we will work with other regional stakeholders in supporting enterprise and jobs in the regions on the delivery of this strategy.
- *Innovation 2020* was adopted by Government in December 2015 and aims to build on the significant successes of the Government's Science strategy over the past 10 years which has seen Ireland dramatically improve its performance globally. DJEI has lead responsibility for overseeing the delivery of *Innovation 2020*.
- The Workplace Relations Commission (WRC) was established in October 2015 with the consolidation of the Labour Relations Commission, Equality Tribunal, Employment Appeals Tribunal and the National Employment Rights Authority. Our focus now will be to ensure that it and the Labour Court are delivering effectively.
- The Companies Act 2014, which commenced in June 2015, is being implemented with the aim of simplifying the day to day running of a business, maintaining necessary protections for those dealing with companies and putting in place an effective corporate governance regime. We will monitor the implementation of this important piece of legislation.
- In the two years since its establishment the new Competition and Consumer Protection Commission has implemented significant organisational change to enable it to deliver on its mission to make markets work better for consumers and businesses in the most efficient way possible.
- The Low Pay Commission was established under the National Minimum Wage (Low Pay Commission) Act, 2015, and makes recommendations to the Minister that are designed to set a minimum wage that is fair and sustainable. We will support the Commission in its work.

## Whole of Government Focus

Delivering a supportive environment for enterprise and jobs requires a sustained cross Government focus on addressing the challenges over the coming years. This is even more important in responding to new and emerging challenges and ensuring a supportive environment for business development and jobs. Through a partnership approach with Government Departments, enterprise, representative bodies, the enterprise development agencies (Enterprise Ireland, IDA Ireland and Science Foundation Ireland), Local Enterprise Offices (LEOs) and others, we can deliver a step change in the performance and international competitiveness of our manufacturing and services sectors. The PfPG strongly endorses this cross Government approach. Examples of cross cutting areas of interest and collaborative effort with other Government departments are set out in Appendix 2.

In addition to *Enterprise 2025* and *Innovation 2020*, our Strategy is underpinned by a number of other key Government frameworks such as the *National Skills Strategy* and *Foodwise 2025*.

The strategies of our Offices and Agencies, which will be key in the delivery of our goals and objectives, will be aligned with this Strategy. A list of our Offices and Agencies is set out in Appendix 4 of this document.

## Internal Change

In recent years the Department and its Offices have undergone significant internal changes, both structurally and technologically, to better align our service delivery within the resources available. We will continue to invest in our staff and keep reform central to our service delivery and quality customer service. We are fully committed to the ongoing programme of change in the Civil Service which seeks to build capacity to respond to existing and future challenges, and to improve the performance of the Civil Service and its staff.

## Measuring Success

The overarching goals in this Strategy are set out in the following pages. Measurement of economic, enterprise and innovation performance is complex and no one measure shows the complete picture. At the same time, it is important that we focus on a number of overarching metrics complemented by firm level performance metrics to assess overall performance. Relevant metrics from *Enterprise 2025* and *Innovation 2020* are set out in Appendix 3.

## Consultation Process

As part of the development of this Statement of Strategy we carried out an extensive consultation process with a wide range of targeted stakeholders including employer, employee and consumer representative bodies, state agencies, research funders and professional bodies. We also received input from other Government Departments and consulted with the Joint Oireachtas Committee on Jobs, Enterprise and Innovation.

## Goal

## One

**Lead on creating and sustaining high quality enterprise and employment across all regions of the country by supporting a strong indigenous enterprise base, the continued attraction of Foreign Direct Investment and a strong entrepreneurial culture.**

We will, with our enterprise agencies, Enterprise Ireland (EI), IDA Ireland (IDA) and the Local Enterprise Offices (LEOs), and with other stakeholders, lead on the delivery of the Programme for Partnership Government target of 200,000 extra jobs by 2020, including 135,000 outside of Dublin.

We will support indigenous companies of all sizes to start, to grow, and to maintain viability through the use of best in class support systems.

We will continue to focus on supporting early stage entrepreneurship and start-ups and ensure that policies across Government are aligned to support the scaling and internationalisation of all companies with the potential to develop and sell high value added products and services into overseas markets.

We will ensure that Ireland's FDI policy, and our value proposition in relevant sectors, remains competitive so that it delivers an appropriate mix of sustainable and regionally dispersed inward investment projects. Key objectives are to increase RD&I performance in FDI companies and deepen their engagement with the Irish economy, for example, through direct expenditure on goods and services. We will continue to promote strong collaboration and links between the indigenous and multinational sectors.

We will continue to identify and respond to new challenges and opportunities for economic and jobs growth across both the indigenous and FDI sectors. We will work and support our agencies in furthering the objectives of Enterprise 2025, the Government's enterprise strategy, and in furthering the objectives of their own strategies.

Through this goal we will respond to the significant challenges, uncertainty and opportunities presented for business by the UK decision to leave the EU and other global developments.

In pursuit of this Goal we will maintain the annual Action Plan for Jobs, which has been endorsed by the OECD. We will consult widely to ensure that the Plan contains the best ideas for job creation within available resources. We will also work closely with regional leaders on the recently developed Regional Action Plans for Jobs.

Ambitious Agency targets have been set and we will measure our progress on this Goal annually over the period of this strategy against specific metrics, such as increased investment levels, growth in employment, sales and exports, increased levels of entrepreneurship, increased innovation activity in enterprise, and a regionally dispersed spread of employment.

#### Outcomes

200,000 new jobs created by 2020, 135,000 outside of Dublin.

Increased capacity and performance of our enterprise sector in terms of job creation, investment and a wider base for exports.

A strong and growing indigenous cohort of companies driving export growth, economic growth and jobs, supporting balanced regional development and performing to the highest international standards.

A world class global FDI ranking, increase in number of investments from overseas companies in Ireland and attraction of new types of FDI to the country, with increased investment in each region.

Increased collaboration and linkages between the indigenous SME base and multinational companies.

## Goal

## Two

**Lead a whole of Government approach to developing the most competitive environment for investment, productivity and sustainable jobs growth.**

We are the lead government Department championing the development of a competitive and conducive environment to promote enterprise and employment growth, to attract investment and to drive productivity growth. We provide a medium-to-longer term policy perspective on enterprise development and sustainable employment opportunities as well as progressing specific policy proposals based on strong evidence based policy research and aligning our supports for enterprise as set out in Goal One.

We will work with other Government departments and agencies that play a crucial role in delivering on a pro-business and supportive policy environment so as to ensure that Ireland is among the most competitive economies in the world, is responsive and agile in addressing the changing needs of enterprises and workers and that we develop a resilient and sustainable enterprise mix. We will work with other departments in specific areas that impact on enterprise potential and performance to ensure optimal public policy responses in areas such as tax, finance, infrastructure, trade, energy and climate change. We will work with stakeholders to ensure the key requirements are in place to develop attractive places throughout the regions for enterprise investment, entrepreneurship and productivity growth.

Working collaboratively across government to support enterprise and jobs will be particularly crucial in the context of Brexit, global uncertainties and other challenges set out earlier.

We will continue to monitor and advise on the changing skills needs of the enterprise economy, in conjunction with the Department of Education and Skills and other providers. We will support the Department of Social Protection on labour activation measures to increase participation and take-up of employment opportunities. We will lead on ensuring we respond to new business models and market and technological developments to ensure we have the best environment for attracting the next wave of investment and growing foreign earnings as set out in Enterprise 2025.

We will progress policy proposals and advocate the enterprise perspective across Government through active engagement in Senior Officials Groups and support for Cabinet Committees and through our research support for groups such as the Expert Group on Future Skills Needs and the National Competitiveness Council.

**Outcomes**

Strong alignment between public policy and the requirements of a competitive, export-oriented and productive enterprise base that maximises the potential for jobs, investment and foreign earnings growth for Ireland.

Alignment between investment in infrastructure and enterprise needs that enhances the competitiveness of regions.

Alignment between talent and skills supply and demand, including in company upskilling.

A top five competitiveness ranking

Greater access to required finance for growth at competitive cost.

Achieving a fair and balanced approach to addressing our 2030 climate change targets, whilst minimising the competitiveness impact and fostering opportunities for growth in the green economy.

## Goal

## Three

**Work ambitiously across Government with our EU and international partners to achieve progress in EU and International fora, across a wide range of interests, including in response to the implications of Brexit.**

The Department has a strong and broad engagement in a wide range of EU policy fields and takes the lead on Ireland's trade and competitiveness policy, including at EU and WTO level. Working across Government and with our EU and international partners, we will continue to represent Ireland at EU level, engaging with EU institutions including at Competitiveness, Trade and EPSCO Councils, to influence emerging policies that will support the delivery of our jobs, competitiveness and growth agendas. Competitiveness remains a key issue for the European Union, as a driver of growth within Europe, and also in seeking to enhance the EU's position relative to the other major trading blocs. The Department will continue to advocate ambitious initiatives to deepen the Single Market, especially in services, and the Digital Single Market, in policy areas within our responsibility, and to support the continued mainstreaming of competitiveness across other policy fields.

DJEI has responsibility for promoting Ireland's employment policy within the Employment and Social Affairs (EPSCO) Council, and for coordinating engagement, through the Council's preparatory bodies, with the European Semester in respect of the jobs and growth agenda, guidelines and country specific recommendations. DJEI has overall responsibility for national trade policy and leads on EU trade matters. We coordinate and represent a wide range of sectoral interests at EU and International level, while liaising with other Government Departments. DJEI also has responsibility for export licences and dual use and military goods, under EU and other International agreements.

To help deliver on these agendas, the Department has a number of staff seconded overseas with the Department of Foreign Affairs and Trade.

One of the most significant challenges that we face is the UK exit from the EU. We will work in collaboration with colleagues across Government to ensure the most advantageous outcome, for Ireland and for the EU, to minimise the impact on Irish enterprises, employees and consumers. We will seek to diversify trade and enhance and broaden our networking with other Member States and with EU institutions, to mitigate for the loss of the UK as a like-minded ally within EU negotiations.

We will raise awareness of new enterprise opportunities arising from the EU's international trade and investment agreements, including improved market access, broader supply channels, greater predictability in the trading environment, and less red tape. We will ensure that Ireland achieves the greatest possible benefit from trade agreements in new sectors such as environmental goods, services and investment.

We will work to promote and safeguard Ireland's interests across the range of important WTO developments that are expected to arise over the course of this strategy, including the finalisation of an Environmental Goods Agreement, the implementation of a revised Information Technology Agreement, the expansion in coverage of the Government Procurement Agreement, the finalisation of a Trade in Services Agreement (in parallel to the WTO), and expected important developments in respect of Agriculture and Digital Trade. Ireland's first full membership of the Governing Body of the International Labour Organisation from 2017-2020 represents an opportunity for the Department to influence the development of the international agenda in respect of the Future of Work.

#### Outcomes

Achievement of the EU's strategic agenda, and Ireland's interests strongly represented, in the areas of competitiveness, trade, employment and social affairs, company law, insolvency and consumer affairs.

Achievement of the EU's and Ireland's goals, including for business, consumers and employees, in the negotiations on the UK's departure from the EU.

Minimised trade disruption and maximised opportunities arising from the UK's exit from the EU.

Trade agreements negotiated, concluded and implemented, reflecting Ireland's strategic objectives and facilitating greater trading opportunities for Irish businesses.

Successful results on the range of important WTO developments that are expected to arise over the period covered by this Strategy that facilitate export growth and better access to global goods and services inputs.



## Goal

## Four

**Lead a whole-of-Government ambition to position Ireland as a Global Innovation Leader, driving an internationally competitive research system, creating an innovative enterprise base and building a better society**

Innovation 2020, our national strategy for research and development, science and technology, sets a vision for Ireland to become a Global Innovation Leader. This aims to create an internationally competitive research and innovation system, driving a sustainable economy and ultimately, to create a better society. We will continue to drive the implementation of Innovation 2020 across Government to deliver key targets including the headline target of investing 2.5% of GNP in R&D by 2020.

Innovation is central to a resilient and internationally competitive enterprise base. Together with Science Foundation Ireland, Enterprise Ireland and IDA Ireland, we will drive and support greater engagement in RD&I by both Irish and foreign owned enterprises and by both SMEs and large scale enterprises. We will tailor our supports to meet the changing needs of the enterprise sector. We will target our investment at strategically important areas of commercial opportunity where we can achieve innovation leadership and sustain a competitive edge. We will enhance supports for the transfer of knowledge from our public research system to enterprise to deliver research outputs with greater commercial potential.

As the European country with the highest proportion of young people, we have the opportunity to nurture talent to best serve the needs of the research community, our society and economy. Through Science Foundation Ireland we will develop this talent and show young people the opportunities in the new knowledge-based sectors of our economy. We will support researchers at all stages of their career development and provide practical means to facilitate mobility between academia and enterprise.

In the area of intellectual property, we will actively engage with, and respond to, new challenges in the digital market context, support the deepening of innovation, including at enterprise level. We will strengthen our comprehensive legislative framework for intellectual property rights at domestic, EU and international level.

We will grow Ireland's contribution to international research through participation in International Research Organisations and Horizon 2020 to secure funding and offer researchers and companies the opportunity to collaborate with world leaders in academia and enterprise.

We will lead in coordinating a national position on the successor programme to Horizon 2020 to maximise Ireland's participation.

### Outcomes

Progress towards Ireland becoming a Global Innovation Leader.

Excellent and impactful research in areas aligned to Ireland's enterprise needs.

Accessible research and innovation supports targeting the needs of enterprise.

A progressive Intellectual Property regime that rewards creators, meets wider societal needs and encourages greater levels of innovation by businesses.

Enhanced research and innovation collaboration with EU and international partners.

## Goal

## Five

**Promote quality employment, positive workplace relations, well-functioning dispute resolution mechanisms, a safe working environment and the evolution of the minimum wage.**

Employment rights, well-functioning workplace relations and dispute resolution mechanisms, appropriately determined minimum wages and a safe working environment are features of a highly competitive social market economy that supports fairness, reduces inequality, and maximises job creation. We will ensure that employment law supports a strong economy and a fair society by balancing flexibility and security and providing protection for all those in employment. We will legislate to better protect vulnerable workers.

The recently established Workplace Relations Commission and the expanded Labour Court are operating at a challenging time for the economy, which although growing strongly, is still vulnerable to economic shocks. We will ensure that the machinery for the resolution of workplace disputes is supported to deliver a fast and efficient service.

We will support the Low Pay Commission in its role to make recommendations to the Government on the national minimum wage.

Our Employment Permits system supports Ireland as an investment location by enabling enterprises to access required talent from overseas. We will deliver an efficient employment permits process to regulate the entry of individuals from non EEA countries through a flexible approach reflecting the changing nature of immigration.

The safety and health of all workers is critical. We will support work-related safety and health and the safe use of chemicals with a balanced and proportionate range of instruments ranging from information, targeted publicity campaigns and guidance, through to warnings and enforcement, where necessary.

### Outcomes

Employment law that supports a strong economy and a fair society by balancing flexibility and security and providing protection for all those in employment.

The timely and effective resolution of individual employment grievances and collective disputes to complement support for orderly collective bargaining across the economy.

Evidence based advice to Government on the minimum wage to help as many low-paid workers as possible, without any significant adverse consequences for employment or competitiveness.

A demand driven skill-based and flexible employment permit system that supports Ireland as an investment location by enabling enterprises to access required talent from overseas.

A working environment that protects workers' health and safety and supports competitiveness by maintaining the highest standards of occupational health and safety through enhanced enforcement, risk-based workplace inspections and effective sanctions for non-compliance.

## Goal

## Six

**Ensure that our business regulation facilitates business investment and development, competition in the market place, high standards of consumer protection and corporate governance, and provides Ireland with a competitive advantage in the global market.**

Working closely with stakeholders and other Government Departments, we have led the successful development of a stable, transparent and modernised company law framework in Ireland. This is an essential requirement to foster indigenous enterprise, attract FDI and drive sustainable growth and job creation.

We will monitor the implementation of the Companies Act 2014 to ensure it is delivering on these high level objectives. We will also be developing new and enhanced regulation in the audit and accounting spheres to improve audit quality and oversight and to remove unnecessary administrative and cost burdens on small and micro-enterprises.

We will continue with the modernisation of corporate legislation in Ireland with the review, modernisation and consolidation of the legislation governing the co-operative sector. We will review the legislation underpinning the Personal Injuries Assessment Board with a view to maximising the use of this low cost settlement model. This in turn should help reduce the costs associated with personal injury claims.

We will continue to respond to new and emerging challenges in the area of competition and consumer policy with the objective of ensuring that our policies provide an appropriate balance between the expected high standards of consumer protection and facilitating a level playing field in markets so that businesses can compete, learn and grow internationally. We will consolidate and modernise the legislation governing the supply of goods, services and digital content to create a clear and balanced framework of consumer rights and remedies and to help optimise the benefits of the Digital Single Market for consumers and businesses.

We will work to ensure that regulation is supported by appropriate enforcement resources and powers.

We will provide an effective and efficient Construction Contracts Adjudication Service.

#### Outcomes

Legislative framework in the Companies Act 2014 is delivering as envisaged.

New auditing and accounting legislative framework which will enhance regulation and oversight of statutory audit and reduce administrative burdens on small and micro-enterprises.

Enactment of a comprehensive modern legislative framework of consumer contract law.

The potential of the Personal Injuries Assessment Board model maximised.

Consolidated and modernised co-operative sector legislation, including in relation to corporate governance and transparency, which facilitates the development of the sector.

## Goal

## Seven

**Invest in our staff to further enhance individual and collective capacity, ensure high standards of corporate governance and optimise our other resources to deliver our Strategy, Mission and Goals.**

The pursuit and achievement of the Goals set out in this Strategy are dependent on the excellence and efforts of all of our staff, supported by the Corporate Services business units. Our key asset is our staff. We will develop a supportive HR strategy and invest in shared learning and career development to enable each staff member grow his/her capacity to make a valued contribution and with the flexibility to respond to key issues as they arise.

We will optimise our financial, technological and other resources to support us in achieving our objectives and in implementing a programme of continuous improvement.

- We will fully participate in the ongoing public service reform agenda and the Civil Service Renewal Plan, and pursue a number of in-house initiatives under the umbrella of our New Ways of Working initiative. This will include a significant investment in staff development to increase expertise and capability and enable our staff to perform at the highest levels across our diverse business areas.
- We will also recruit staff with specific skills to strengthen our expertise in particular areas.
- We will maintain optimum service whilst relocating a significant proportion of staff in key business areas (including supporting ICT and other systems).
- We will continue to seek efficiencies and improved customer service through continuous focus on digital opportunities.
- We will take action based on feedback from customer and staff engagement surveys to help improve our service delivery.
- We will demonstrate excellence in corporate governance which will provide openness and transparency and ensure value for money.

In line with our obligations under the Irish Human Rights and Equality Commission Act, 2014, the Department is committed to proofing its policies, procedures and services across its business areas to ensure we comply with our requirements in the area of human rights and equality.

### Outcomes

A responsive, professional and flexible team

Effective systems that strategically support our business.

Sound corporate governance culture and framework and value for money achieved in the management of the Department's funding,

## Appendix 1

### List of Programme for Partnership Government Actions for delivery by DJEI

- The ultimate goal of the new Government will be to deliver sustainable full employment. This will mean an extra 200,000 jobs by 2020, of which 135,000 will be outside of Dublin, leading to more people at work than ever before
- Specifically, the new Government will:
  - Target 200,000 extra jobs by 2020, including 135,000 outside of Dublin
  - Reduce the unemployment rate to 6%
  - Facilitate the return of at least 70,000 emigrants
  - Prioritise balanced regional development, which will allow us to aim for an unemployment rate in each county that is within one percent of the State average by 2020
- We will maintain the OECD endorsed Action Plan for Jobs process that will, on an annual basis, consult with all relevant stakeholders to draft an Action Plan that contains the best ideas for job creation within available resources.
- We will implement regional jobs plans, with local input, to help spread growth to all areas. The aim of these strategies will be to encourage agencies and companies to work together and build on the competitive strengths of each region. We will mandate Local Enterprise Offices to set county-specific targets on job creation.
- We will also encourage county councils to play a significant role in the Regional Action Plan for Jobs and ensure that economic recovery is felt inside every door of their county.
- An extra €300million in capital funding between Enterprise Ireland and Udarás na Gaeltachta to allow them to provide additional support to Irish owned enterprises. This extra funding will give Local Enterprise Offices and incubation centres additional resources to help support start-ups and small businesses across the country
- An extra €200million to the IDA which will allow it, among other things, to attract more multinational jobs by building additional advanced facilities in regional towns. This will follow on from the 11 advanced facilities which are currently being rolled out
- Support a leap forward in the capacity and performance of our enterprise sector. Protect our national competitiveness from unsustainable cost growth (this involves active innovation and investment as well as containing income demands to the genuine delivery of productivity improvements).
- Excel in getting the basics right, and deliver a job-fit business environment which ranks in the top tier globally
- We will respect the Workplace Relations Commission and the Labour Court as the proper forum for state intervention in industrial relation disputes and ensure that both bodies are supported and adequately resourced to fulfil their roles
- Increase the minimum wage and ensure that the interests of low-paid workers and people in precarious work situations are adequately protected
- Reduce poverty levels by supporting an increase in the minimum wage to €10.50 per hour over the next five years and rely on the annual recommendations of the Low Pay Commission on the level of adjustment each year.
- We will strengthen the role of the Low Pay Commission in relation to the gender pay gap and in-work poverty
- We will tackle the problems caused by the increased casualisation of work that prevents workers from being able to save or have any job security
- We will strengthen regulation on precarious work
- We will ensure that our national interests are protected in any future trade discussions, with a particular focus on beef and food safety standards
- We will work with the European Commission and colleagues across the EU to ensure the best possible outcome for Ireland in any future negotiations. In particular, we will work to ensure the principle of equivalence is maintained in negotiations in terms of food safety, traceability and production standards to ensure that producers are operating on a level playing field
- Ireland's participation in the Unified Patent Court

## Appendix 2

### Examples of areas of cross-cutting interest and collaborative effort with other Government Departments and their Agencies

#### **Department of Agriculture, Food and the Marine**

Exports and trade, Foodwise 2025, Innovation 2020, H&S in the Farming and Fisheries sectors, Chemicals Acts – (REACH, CLP, Rotterdam Regulations)

#### **Department of An Taoiseach**

Development of annual Action Plans for Jobs, Digital Single Market Strategy.

#### **Department of Arts, Heritage, Regional, Rural and Gaeltacht Affairs**

Regional Action Plans for Jobs, roll-out of Broadband, Action Plan for Rural Ireland

#### **Central Statistics Office**

A range of surveys on enterprise and innovation performance, QNHS module on work-related accidents and illness

#### **Department of Communications, Climate Action and Environment**

Innovation 2020, roll-out of high speed broadband, energy security and supply, Chemicals Acts

#### **Department of Health**

Innovation 2020, Establishment of Health Innovation Hub Ireland, healthy workplace dimension of the *Healthy Ireland Initiative*, Chemicals Acts

#### **Department of Education and Skills**

National Skills Policy, Expert Group on Future Skills Needs, areas of key skills shortages, Excellence and basic research, Research prioritisation, Investment in PRTL, Entrepreneurship in Education, Construction Skills Certification Scheme, Social Policy under the EPSCO Council

#### **Department of Finance**

Finance for Business, taxation, funds and markets, insolvency, anti-money laundering

#### **Department of Foreign Affairs and Trade**

EU Permanent Representation, Trade policy, Trade missions, Support for Irish business in existing/new markets, Economic diplomacy strategy, The Joint Economic Commissions (JECs) process with China, Russia, Saudi Arabia and Korea, Export Trade Council (ETC)/ Trade Coordination Group, DFAT's ongoing work on Least Developed Countries, Sustainable Development Goals and targets of the 2030 Agenda, Whole-of-Government approach to foreign policy, Human Rights, International Labour Organisation, Reporting for the Council of Europe's European Social Charter, licensing and enforcement system for export controls, North South cooperation – InterTradeIreland

#### **Department of Housing, Planning, Community and Local Government**

Affordable housing, planning process, water, waste management, Local Authorities key role in delivering the goals of the Regional Action Plans for Jobs, DHPCLG's *Social Inclusion and Community Activation Programme (SICAP)*, Dangerous Substances Act -Licencing role of Local Authorities, Chemicals Acts –Control of Major Accident Hazards.

#### **Department of Justice/Garda Síochána**

Employment permits, employment rights inspections, carriage of dangerous goods by road (ADR), Driving for Work programme, employment equality as part of employment and social policy coordination of the EU EPSCO Council, EU insolvency issues.



**Department of Public Expenditure and Reform**

Capital expenditure priorities to support enterprise development, capital and current funding of Agencies, Labour-Employer Economic Forum (LEEF)

**Revenue Commissioners**

Employment rights - Joint investigations (WRC, DSP and Revenue Commissioners), Employment Permits, Chemicals Acts, Company Law

**Department of Social Protection**

Protocol between DJEI, DSP and the Enterprise Agencies aimed at maximising recruitment by the Enterprise Agencies from the Live Register, low pay, employment and social policy EU under the EPSCO Council, Employment rights - Joint investigations (WRC, DSP and Revenue Commissioners)

**Department of Transport, Tourism and Sport**

Transport infrastructure.

## Appendix 3 – Targets set out in Enterprise 2025 and Innovation 2020

The targets set out in Enterprise 2025 and Innovation 2020 form a backdrop to the DJEI Statement of Strategy 2016-2019

Table 1 Overarching national outcomes – Enterprise 2025

	Overarching national outcomes	Metric	Current Performance	Potential by 2020	Baseline year
<b>1</b>	<b>Employment &amp; regional potential</b>				
	2.180m in employment by 2020	Annual Employment Growth (000's)	1,959	2,180	Q2 2015
	71 percent of 20 to 64 year olds will be in employment by 2020	Employment Rate 20-64 year olds	67	71	2014
	Optimising regional potential	Regional unemployment rates will not be higher than 1 percentage point than national unemployment rate	<3%	<1%	Q1 2015
<b>2</b>	<b>Export-led growth</b>				
	Increasing exports	Grow Irish owned exports by 6-8% per annum by 2020 <sup>1</sup>	€16.3bn	€24-€26bn	2014
<b>3</b>	<b>Innovation</b>				
	Increase Investment in RD&I	Gross Expenditure on R&D as a percentage of GNP	2.05%	2.5%	2012
	Innovative Culture	SMEs introducing product or process innovations (as % of all SMEs)	35%	45%	2015
<b>4</b>	<b>Talent</b>				
	Highly skilled workforce	Tertiary education attainment 30-34 year olds	52.2%	60%	2013
<b>5</b>	<b>Competitiveness</b>				
	Rank in top 3 most competitive small countries in the world	World Bank Doing Business (189 economies)	13 <sup>2</sup>	1-3	2015
	Sustaining the profitability of Irish owned firms (across all sectors)	Gross operating surplus as % of turnover (CSO Business in Ireland) (7.3% in 2010)	9.6%	10%	2012
<b>6</b>	<b>Living standards</b>				
	Restoration of living standards to pre-recession levels and maintain an above average position relative to the Euro-19 over the period to 2025 and beyond	GNI per capita in Purchasing Power Standards (Eurostat) (EU-19 =100)	98	105	2013

<sup>1</sup> Excludes foreign owned entities within EI portfolio, e.g. food

<sup>2</sup> Other small countries currently ranked ahead of Ireland include Singapore (1), New Zealand (2), Hong Kong (3), Denmark (4), Finland (9) and Iceland (12)

Table 2 Enterprise level performance metrics and future potential – Enterprise 2025

	Firm level activity	Metric	Current Performance	Potential by 2020	Baseline
<b>1</b>	<b>Sustainable enterprise</b>				
	Increase no. of start-ups by 25 percent	No. of enterprise births per annum	12,551	15,700	2012
	Increase no. of enterprises surviving to 5 years by 25 percent	Survival rate of start-ups (5 years)	6,513	8,141	2007-2012
	Increase in scaling activity	EI Firms >€3m sales out of Ireland	860	1,100	2013
		EI Firms > €20m sales out of Ireland	225	300	
		EI Firms >€100m sales out of Ireland	54	90	
<b>2</b>	<b>Export growth &amp; employment</b>				
	Increase Irish-owned export intensity	Irish owned exports as % of sales	51%	55%-60%	2014
	Broadening base of Irish owned exports	Beyond UK markets by €5-€6 billion	€10bn	€15-€16bn	2014
	Increase EI employment	Increase employment by 32,000	180,000	212,000	2014
	Increase in IDA employment	Increase employment by 35,000 by 2019 (extrapolated to 2020 at 42,000)	175,000	216,000	2014
	Increase FDI investments	900 new IDA supported investments by 2019 (extrapolated to 2020 at 1,080)	779	1,080	2010-2014
<b>3</b>	<b>Innovation</b>				
	Increase in RDI active firms	No. of EI R&D Active Firms >€100k	858	1,000	2011-2014
	Increase in RDI active firms of scale	No. of EI R&D Active Firms >€1m	139	220	2013
	Increase in FDI R&D investment	Win cumulative €3bn in RDI investment by 2019 (extrapolated to 2020 at €3.6 bn)	€2.5bn	€3.6bn	2010-2014
	Increase in Foreign Owned RDI active firms	120 additional companies to engage in R&D by 2019 (extrapolated to 2020 at 145)	330	475	NA
<b>4</b>	<b>Connectedness</b>				
	Increase no. of enterprise collaborations by a third	No. of enterprise collaborations with HEIs/PROs <i>(note different basis for metric applies by agency)</i>	839 (EI) 900 (SFI)	1,200 1,125	2013
	Increase in Direct Economic Expenditures by 25 percent	ABSEI Direct Economic Expenditure (Irish materials and Irish services)	€28.8bn	€36bn	2013
	Innovative SMEs collaborating with others	Innovative SMEs collaborating as a percentage of SMEs	35%	45%	2015
<b>5</b>	<b>Talent and skills development</b>				
	Double investment in training and upskilling for employees	Expenditure on training per employee	€543	€1,100	2013

The following indicators on productivity and export performance are useful in monitoring comparative performance on an ongoing basis.

**Table 3 Key monitoring indicators – Enterprise 2025**

	Monitoring Indicators	Metric	Current Performance	Potential by 2020	Baseline
1	Productivity	GVA per person engaged for indigenous sectors	€40,900 (80% of UK & Germany, 60% of Denmark levels)	Equivalent to UK & Germany	2011
2	Productivity	Output per hour worked, total economy, percentage change at annual rate <sup>3</sup>	2.5%	Sustain an EU top 5 position	2008-2013
3	Export led growth	% Share of World Trade Manufacturing	0.62%	36 <sup>th</sup> world ranking	2014
4	Export led growth	% Share of World Trade Services	2.70%	11 <sup>th</sup> world ranking	2014

The importance of full employment being on a sustainable basis is a core objective of Enterprise 2025. Table 4 sets out broad indicators of what constitutes a sustainable balance of employment across exporting and non-exporting sectors of the economy based on the pattern of economic performance generally over the past 15 years<sup>4</sup>. Multiple factors influence the sectoral distribution of employment so the metrics presented here should be treated as indicative only. However, movement outside of the ranges set out below would trigger more in-depth analysis.

**Table 4 Monitoring sustainable employment growth – Enterprise 2025**

	Monitoring Indicators	Metric	Sustainability metric
1	Employment in domestic activity	Proportion of the labour force employed in the seven sectors that comprise the 'domestic' component of the economy <sup>5</sup>	45% to 47%
2	Gap between employment in domestic & exporting activity	Difference between the proportion of the labour force employed in domestic sector activity and the proportion employed in exporting activity <sup>6</sup> (% point differential)	<22%

<sup>3</sup> Sectors contribute variously to total economy productivity performance. Monitoring of the total economy performance should be accompanied by analysis at a sectoral level

<sup>4</sup> See Enterprise 2025 Background Report, available at <https://www.djei.ie/en/Publications> for details

<sup>5</sup> Incl. construction, wholesale and retail, transport and storage, accommodation and food services, professional, scientific, technical, administrative and support services, and other services, QNHS

<sup>6</sup> For the purposes of this particular analysis, exporting activity employment is estimated using the CSO QNHS data, specifically NACE codes B-E (Industry) and J (Information and communication), and data from DJEI's Annual employment Survey (Internationally Traded Services)

Table 5 Key Innovation Targets – Innovation 2020

	Metric	Baseline <sup>7</sup>	Target 2020	Data Source
1	GERD (Gross Expenditure on Research and Development – both public and private)	€2.9bn	2.5% of GNP	DJEI
2	Increase private funding of R&D performed in HE sector	€24m per annum	€48m per annum	HERD survey (DJEI)
3	Increase research masters and Ph.D. enrolments	1,750 (2015)	2,250	
4	Research Personnel <sup>8</sup> in Enterprise	24,785 (2013)	40,000	BERD survey (CSO)
5	Increase number of firms that are <sup>9</sup> : a. Innovation active b. Significant R&D performers c. Large R&D performers	a. 58% b. 1,040 c. 170	a. 73% b. 1,200 c. 200	<i>Innovation in Irish Enterprises</i> survey (CSO)
6	Commercialisation Targets a. Commercially relevant technologies (Licences, Options, Assignments) b. Spinouts c. High Potential Start-Ups (HPSUs) from Spinouts d. Collaborative research projects between enterprise and PRS <sup>10</sup>	a. 124 b. 29 c. 11 d. 878	a. 175 b. 40 c. 16 d. 920	EI/Knowledge Transfer Ireland
7	Drawdown Horizon 2020	€620m under FP7	€1.25bn	European Commission
8	Innovation Union Scoreboard: performance relative to EU average	+13% (2015)	+20%	European Commission
9	How informed the public feel about R&D in STEM	49% (2015)	60%	Barometer survey (SFI, biennial)

<sup>7</sup> Baseline year is 2014, unless otherwise indicated.

<sup>8</sup> Includes researchers, technicians and support staff.

<sup>9</sup> Using CSO definitions.

<sup>10</sup> Public Research System.

# Appendix 4 – DJEI Offices & Agencies





The images on the cover of this document are of drawings by Gabriel Hayes who was commissioned in 1941 to design and complete a range of carved stonework for the facade of the Department of Industry and Commerce building at Kildare Street.

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