FUTURE JOBS IRELAND 2019

Preparing Now for Tomorrow's Economy

30 July 2019

David Hegarty
Assistant Secretary
Department of Business, Enterprise and Innovation

IGEES

Irish Government Economic & Evaluation Service

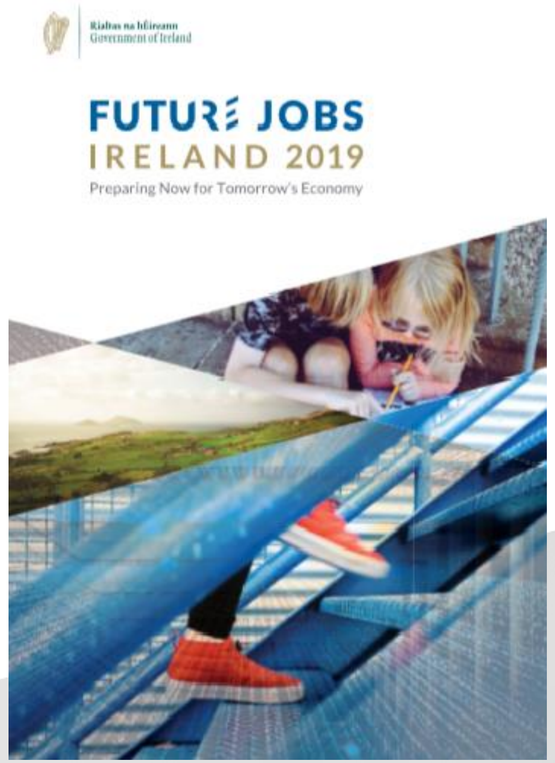
Rialtas na hÉireann
Government of Ireland
FUTURE JOBS
IRELAND 2019
Preparing Now for Tomorrow's Economy
Executive Summary

Context and Rationale

- Pace of economic growth and advent of full employment has exposed constraints

- Vulnerabilities
  - Overreliance on certain sectors and markets
  - Poor SME productivity performance
  - Unfavourable international developments including Brexit

- Looking ahead need to prepare economy and society for technological change and transition to a low carbon economy



FUTURE JOBS
IRELAND
Preparing Now for Tomorrow's Economy

Overview

- Desired outcomes
  - Stronger productivity growth in underperforming sectors and firms
  - Quality jobs that are sustainable over the longer term
  - Equipping our businesses and people for significant transitions
  - A resilient, innovative, open and globally connected economy

- 5 Pillars with medium-term Ambitions and supporting Deliverables

FUTURE JOBS IRELAND
Preparing Now for Tomorrow's Economy

Ambitions & Deliverables

- 26 medium-term Ambitions
- 127 supporting Deliverables
- Each Pillar has 2025 targets
- Each Deliverable has a clear progress output

Ambition 1.5: Increase the capacity of SMEs to engage in RD&I

No.	Deliverable	Timeframe	2019 Output	Lead	Other key stakeholders
(i)	Implement the projects awarded funding under the first call of the Disruptive Technologies Innovation Fund and issue a further call in 2019 drawing on the learnings from 2018.	Q4 2019	First tranche of DTIF projects underway; Second tranche of projects announced	DBEI	EI
(ii)	Commence a programme of challenge-based research and innovation initiatives through Science Foundation Ireland (SFI) starting with a new SFI Future Innovator Prize to encourage the development of novel, potentially disruptive, technologies to address significant societal challenges.	Q4 2019	Winning team from first tranche of projects announced	DBEI	SFI
(iii)	Directly assist SMEs through the temporary injection of expertise through RD&I placement programmes including through EI's graduate programmes and SFI Industry Fellowships.	Q4 2019	Awards made	DBEI	EI, SFI, ÚnaG

Ambition 1.6: Incentivise SMEs to invest in new technologies

No.	Deliverable	Timeframe	2019 Output	Lead	Other key stakeholders
(i)	Consider (with input from industry) how the existing R&D tax credit meets the needs of SMEs and how it could be tailored to address their needs such as considering: a. allowing for more extensive use of outsourcing by SMEs by amending the amount of outsourced expenditure which qualifies	Q4 2019 (as part of Budget 2020)	Report to issue following public consultation with stakeholders and analysis of economic implications of R&D relief	DFIN	

FUTURE JOBS IRELAND
Preparing Now for Tomorrow's Economy

Embracing Innovation & Technological Change - Targets

KPI	*Latest Scores*	*Baseline Date*	*2025 Target*	*Source*
GERD as a % of GNP	1.4%	2016	2.5%	R&D Budget
SMEs introducing product or process innovations (as % of all SMEs)	46%	2017	55%	CIS
SMEs with marketing or organisational innovations (as % of all SMEs)	53%	2017	60%	CIS

FUTURE JOBS IRELAND
Preparing Now for Tomorrow's Economy

Embracing Innovation & Technological Change - Ambitions

1.1 Position Ireland as a leading pioneer in technology adoption by investing in demonstrator sites and developing enabling frameworks and standards

1.2 Implement a strategic approach to maximise the benefits from digitalisation

1.3 Position the Public Service to be a leader in technology adoption and innovation

1.4 Establish Top Teams to realise opportunities presented by technological changes and the move to a low carbon economy

1.5 Increase the capacity of SMEs to engage in research, development & innovation

1.6 Incentivise SMEs to invest in new technologies

1.7 Develop Transition Teams to assist workers and sectors likely to be most challenged by our changing economy

FUTURE JOBS IRELAND
Preparing Now for Tomorrow's Economy

Improving SME Productivity - Targets

KPI	*Latest Scores*	*Baseline Date*	*2025 Target*	*Source*
Multifactor productivity growth in domestic sectors	0.6%	2016 (2000-2014 annual average)	1% increase on average per annum	CSO

FUTURE JOBS IRELAND
Preparing Now for Tomorrow's Economy

Improving SME Productivity - Ambitions

2.1 Diversify our enterprise base to ensure the Irish economy is more resilient and adaptable

2.2 Stronger policy focus on productivity as a driver of economic prosperity

2.3 Enhance business framework conditions for firm creation and growth

2.4 Encourage enterprises to exploit technology and business process improvements to increase productivity

2.5 Improve leadership and management skills in SMEs

2.6 Strengthen linkages between SMEs and multinational enterprises and our tertiary education institutions

FUTURE JOBS IRELAND
Preparing Now for Tomorrow's Economy

Enhancing Skills and Developing & Attracting Talent - Targets

KPI	*Latest Scores*	*Baseline Date*	*2025 Target*	*Source*
Lifelong learning rate	8.9%	2017	18%	EuroStat
% of population with basic or above basic digital skills	48%	2017	≥ EU Average	DESI index Eurostat
Cost of all Structured, Formal Training as a percentage of payroll in Irish enterprises	1.1%	2016	1.5%	ABSEI

FUTURE JOBS IRELAND
Preparing Now for Tomorrow's Economy

Enhancing Skills and Developing & Attracting Talent - Ambitions

3.1 Provide high quality and timely education and training responses to evolving enterprise and skills needs

3.2 Encourage lifelong learning and upskilling

3.3 Foster participation in apprenticeship and traineeship programmes

3.4 Compete successfully for international talent

3.5 Improve career guidance and advice provision

FUTURE JOBS IRELAND
Preparing Now for Tomorrow's Economy

Increasing Participation in the Labour Force - Targets

KPI	*Latest Scores*	*Baseline Date*	*2025 Target*	*Source*
Overall participation rate 25-69	74.7%	2018	78%	LFS
Female participation rate 25-59	75.0%	2018	78%	LFS
Older Peoples participation rate (>55)	34.3%	2018	>38%	LFS
Youth unemployment ratio	6.4%	2017	<6%	LFS

FUTURE JOBS IRELAND
Preparing Now for Tomorrow's Economy

Increasing Participation in the Labour Force - Ambitions

4.1 Encourage participation in the labour force through high-quality Early Learning and Care

4.2 Foster participation in the labour force through flexible working solutions

4.3 Improve incentives to participate in the labour force

4.4 Encourage adult dependents and beneficiaries of other full-time welfare payments to engage in activation, enter and/or stay in the workforce

4.5 Undertake promotional campaigns to encourage greater levels of participation in the labour force

FUTURE JOBS IRELAND
Preparing Now for Tomorrow's Economy

Transitioning to a Low Carbon Economy - Targets

KPI	Latest Scores	Baseline Date	2025 Target	Source
Share of total energy use from renewable sources	10.6%	2017	20%	SEAI
Number of residential retrofits	21,430	2018	250,000	SEAI

Ambitious targets, including for CO_2 reductions, will also be set in the All of Government Climate Plan, which will seek to make Ireland a leader in responding to climate disruption.

FUTURE JOBS IRELAND
Preparing Now for Tomorrow's Economy

Transitioning to a Low Carbon Economy - Ambitions

5.1 Become a leader in adopting and developing standards in the low carbon economy

5.2 Realise the opportunities for economic activity and job creation

5.3 Leverage Ireland's natural resources, enterprise strengths and innovative capacity to be a global leader in the circular and bioeconomy

FUTURE JOBS IRELAND
Preparing Now for Tomorrow's Economy

Implementation

- Medium-term framework
  - high level targets for 2025 have been set for each pillar
  - measurable outputs have also been established for each deliverable

- Progress will be monitored with published progress reports every six months

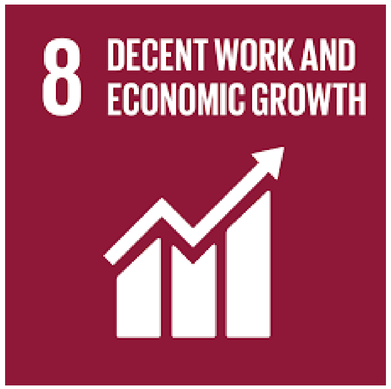
- Development of Future Jobs Ireland 2020 will include consultation with
  - Government Departments & Agencies
  - Stakeholders

FUTURE JOBS IRELAND
Preparing Now for Tomorrow's Economy

Future Jobs Ireland and the SDGs

Future Jobs Ireland will contribute towards the achievement of a number of specific targets under the SDGs in particular under the following Goals:

4.3
4.4



8.2
8.3
8.5
8.6

9.2
9.3
9.5

12.6
12.7

FUTURE JOBS IRELAND
Preparing Now for Tomorrow's Economy