



# Ireland's Competitiveness and Infrastructure Infrastructure Summit

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# About the NCPC

- Established by Government in 1997 in Soc Partnership context
- Independent Non-Statutory Body, joining up policy making across departments and agencies
- Reports to the Taoiseach & Government, through the Minister for Enterprise, Trade and Employment
- Independent Critical Voice monitoring and championing competitiveness and productivity issues; seen as
  - Unbiased
  - Evidence-based (through research)
  - Integrated with government/policy system
  - Effective in its Communications (dialogue & advocacy)

# Competitiveness and Productivity Framework



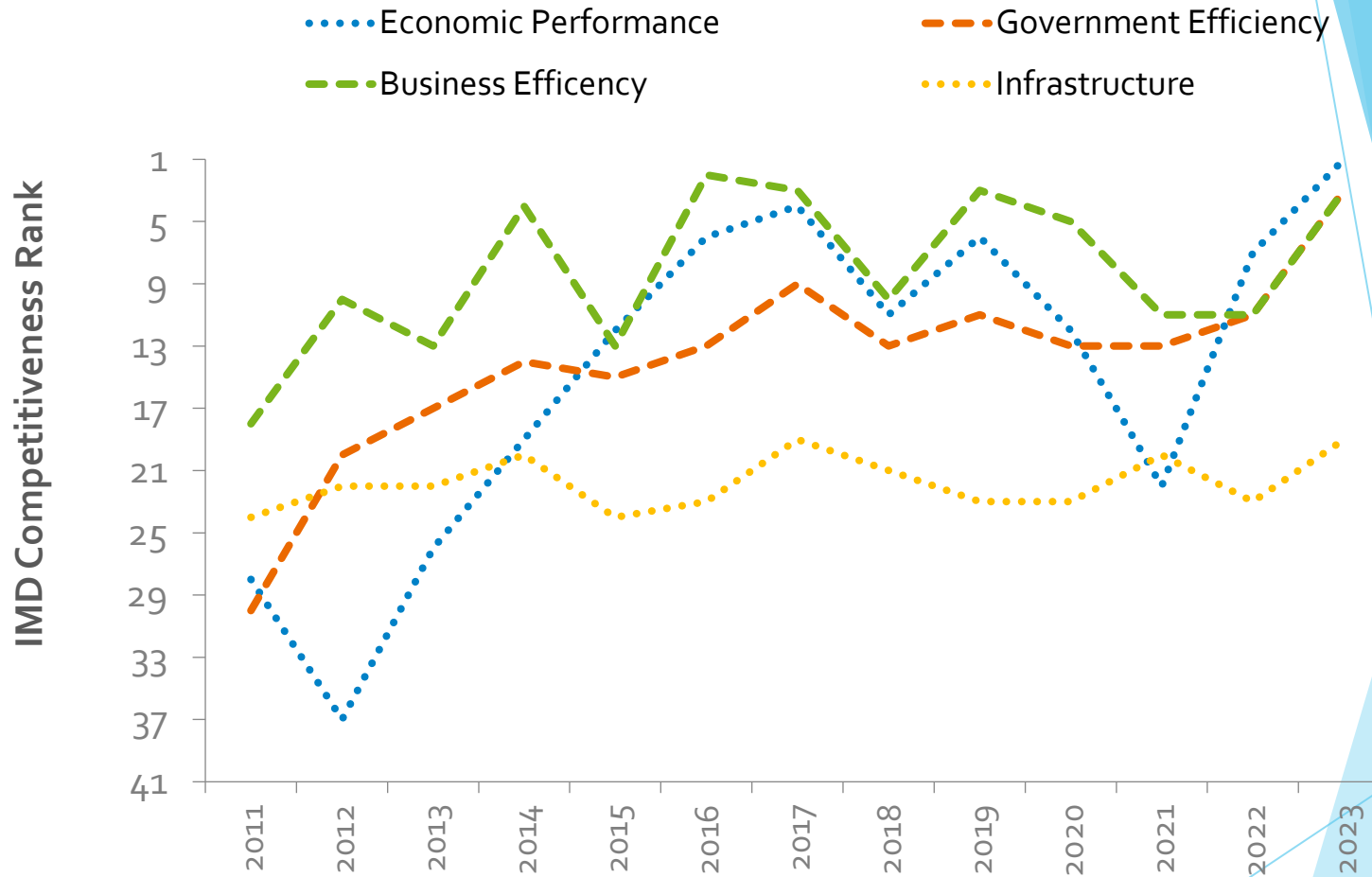
# Infrastructure & Competitiveness

- ▶ **Irish Infrastructure must be globally competitive**
- ▶ **Support producers, employees and consumers in getting goods and services to market**
- ▶ **Key current issues:**
  - ▶ Access to sustainable (security and cost) energy and water;
  - ▶ Delivering modern connectivity (including broadband)
  - ▶ Provision of well-managed and timely public capital projects
  - ▶ Provision of housing
  - ▶ Effective Transport & logistics

# Infrastructure – Competitiveness Challenge

- Infrastructure has been formally called out by Council through its annual *Competitiveness Challenge* reports.
- **Recommendations 2022:**
  - Increased utilisation of Modern Methods of Construction – including skills
  - Improved resourcing of planning authorities
  - Delivery of green infrastructure – examination of critical path
  - Action taken to remove barriers for efficient delivery of public utility for water
- **Recommendations 2023**
  - Micro-generation utilisation – target focused
  - Delivery of offshore wind infrastructure at significant scale
  - Recruitment for planning system, incl. international recruitment

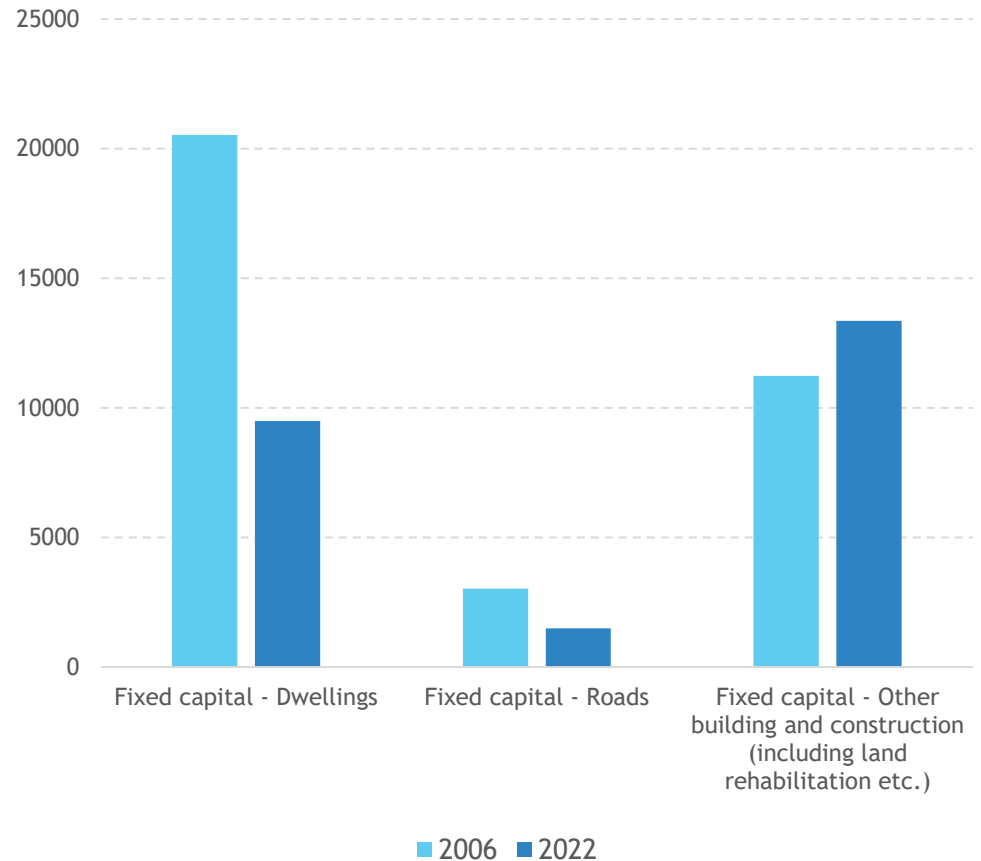
# Infrastructure – Dragging on Competitiveness



# Labour Market Capacity and Infrastructure

- Capacity a key limiting factor in delivery.
  - Supply of construction labour – still lower than 2006.
  - Balance of construction labour across new residential, commercial, public infrastructure....retrofit also an added demand

Gross Fixed Physical Capital Formation (Constant Prices, €million), 2006 and 2022



# Planning for Infrastructure Delivery

- Adequacy of planning system for delivery of infrastructure.
- A challenge across multiple spheres – housing and green infrastructure most pressing.
  - Significant impact on critical path for core infrastructure – with multi-year delays leading to Ireland lagging on targets.
- Planning and Development Bill 2023 – implementation of reforms necessary.
  - the introduction of statutory timelines for decision-making should bring increased confidence to planning applications
  - Planning and Development Bill 2023 – implementation of reforms necessary.
- Revised Spatial Planning Framework – due in Autumn – should give more clarity to business and society

# Reflections

- Improved performance on infrastructure needed for Ireland to maintain competitiveness position.
  - Continued slow delivery risks our reputation and ability to attract talent and FDI.
  - Impacts retention and costs for firms
  - Imposes barriers on firm's ability to expand physically in Ireland
- Solution will involve increased labour supply – with focus on residential delivery, alongside key planning reforms.