"DUBLIN'S ROLE IN THE IRISH AND GLOBAL ECONOMY, 2012"

Dublin Regional Authority, UCD, Dublin Local Authorities

Synthesis of Findings

May 2013

An event supported by and in conjunction with the Creative Dublin Alliance

“DUBLIN’S PLACE IN THE IRISH AND GLOBAL ECONOMY, 2012”

To examine Dublin’s place and role in the national and global economies through evidence based research coupled with high level interview and to deliver a research package of evidence which explores the importance of the Dublin city region to future national economic success

DUBLIN REGIONAL AUTHORITY

ÚDARÁS RÉIGIÚNDA ÁTHA CLIATH

UCD DUBLIN

Broad Level Objectives

- To examine through evidence based research trends in optimal location for investment in terms of infrastructure provision, attractiveness, employment and talent capacities, sustainable development patterns.
- To create a database and a methodological approach suitable for economic development analysis which can be readily updated as further data streams e.g. Census, etc. are published.
- To build on and align with past and current research, internationally, nationally, regionally and as carried out within the local authorities of the city region.

Structure of the Study

Delivery of a research package - 3 Reports have been produced and synthesised into a synthesis report

- Report 1 – Collation and assessment of available quantitative socio-economic data
- Report 2 – Spatial analytic approaches assessing socio-economic development
- Report 3 - Analysis of interviews, relevant reports and literature
- Report 4 - Synopsis of key policy issues and series of recommendations

Objective of Today

- Findings are a starting point – hard and soft evidence base for future action
- To invite interviewees to discuss key findings
- To garner feedback on finings and develop recommendations from the research

Starting points for discussion

Socio-Economic Profile of the City

Demographic Profile

Appraisal of the Urban Challenges

Access to Services, Opportunity

Innovation Clusters

MNE’s and FDI

The importance of Dublin nationally

The role of regions

Global Benchmarks

Input from key stakeholders

Planning Policy and Governance

Recommendations –maximising resources, infrastructural development, scenario planning

Future work

Role of Tourism

Transport and Connectivity (including route development internationally)

The importance of economic corridors

Results

Results

Dublin Region	Q2 2007	Q2 2011	State Comparison Q2 2011
Employed	616,000	520,500	1,821,300
Unemployed persons	31,000	72,000	304,500
Unemployment Rate	4.8%	12.1%	14.3%
Participation Rate	65.4%	62.2%	60.7%
Labour Force	647,000	592,500	2,125,900
Service Sector Employment	80% Services 20% Non-Services	88% Services Sector 12% Non Services	77% Services Sector 23% Non Services

Dublin Region	From Q2 2007 to….	…Q2 2011	State Comparison
Job Losses Q2 2007 – Q2 2011		95,500	317,500 (30% losses in Dublin region)
Proportion of job Losses Males		66%	80%
Live Register September 2011		105,422	437,441 (24% of live register in Dublin city region)

Dublin Region		2011	State Comparison
Vacancy Rates 2011		10.7% (Dublin)	14.7% (State)

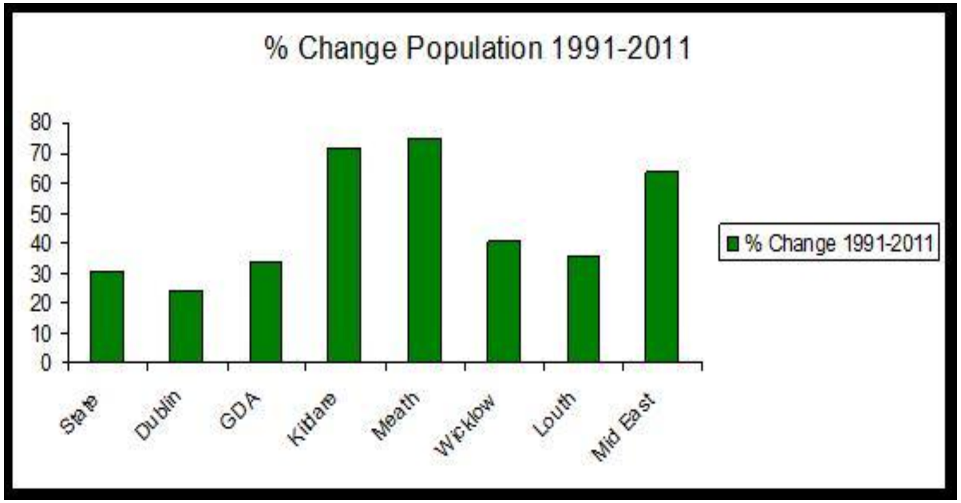
Opinion on Dublin - SWOT

STRENGTHS Ability to attract, produce and retain talent- critical mass of talent Good business environment – cluster effect A city of global scale or importance Relatively good quality of living Much improved transport infrastructure	**Weaknesses** High unemployment/Youth Unemployment Interregional competition Outdated planning and governance structures Connectivity
Threats	Opportunities

Results Demographics

Demographics

- Ireland is one of the few countries to have experienced population increase due to in-migration and natural increase and with fertility rates of 2.07 children compared to an EU-27 average of 1.6.
- Ireland is atypical to other EU countries with regard to old age dependency though this will rise from 16 to 36 per cent of the total population by 2060
- Notably, the Dublin region is expected to take a projected increase of over 200,000 persons from 2010 to 2022 the Mid East has been apportioned just under 100,000 in the same period
- Planning for this transition in population is important with regard to health, education and other community services especially in high pressure areas such as the Dublin and the commuter counties.



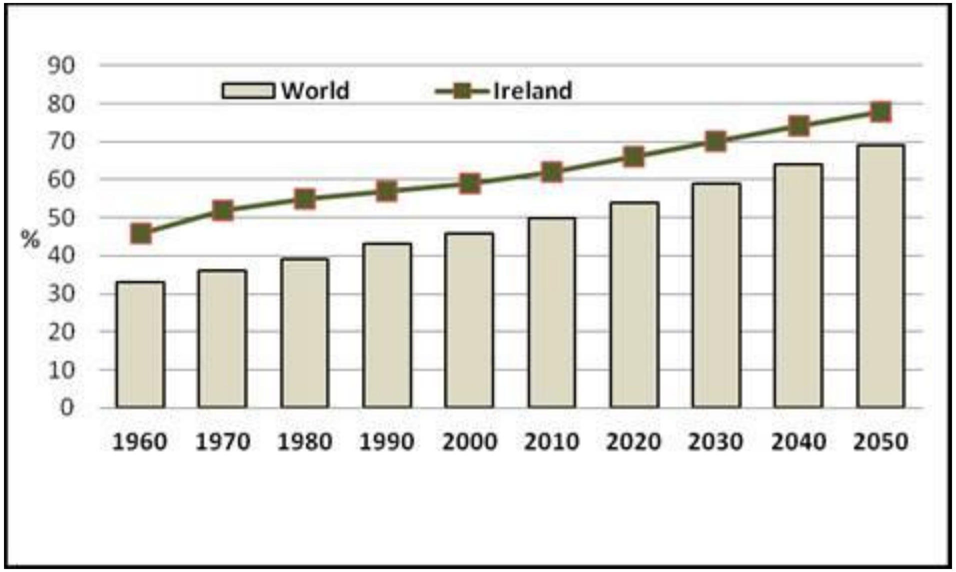


Diagram 1: Percentage Population Change across Greater Dublin Region

Diagram 2: Urbanisation Globally and in Ireland

Results

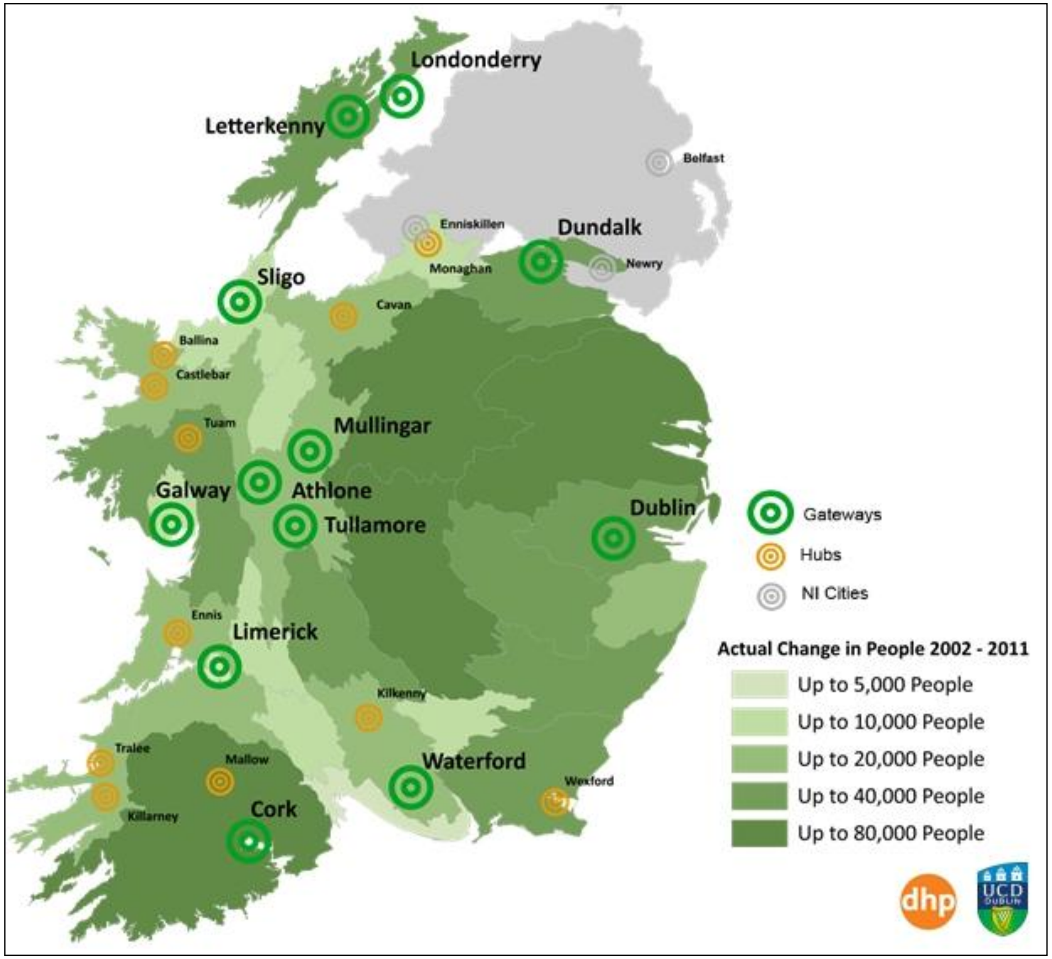
Data on tax contribution for the year 2008 delivered in response to a Parliamentary Question in 2010 found that citizens or companies located in Dublin[1]

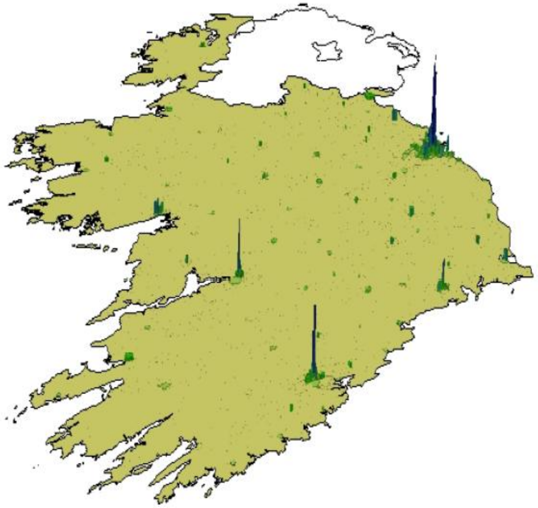
- contributed 55.6% of all VAT in 2008, followed by Cork at 8.8% and Kildare 3.4
- paid 62.4% of all Corporation Tax yielding €3.2bn out of a total tax of €5.1bn in 2008.
- paid 50.6% of state PAYE in 2008 producing an estimated exchequer revenue of €5 billion for the Government.
- paid 38.8% of non-PAYE income tax followed by Cork at 11%, Galway 4.5%, Kildare 4%, Limerick 3.9%, Meath 3.5%, Wicklow 3.4% and Tipperary 3.0%.
- contributed 41% of all Capital Gains Tax intakes
- Figures taken from response to parliamentary question July 2010[2]

[1] A number of caveats are attached to these figures due to reporting discrepancies such as Corporation Tax being collated based on the county address of company HQ or the relevant branch for tax purposes.

[2] http://www.leovaradkar.ie/?p=1076

Spatial Representations of Population Change 2002-2011 and Job Density

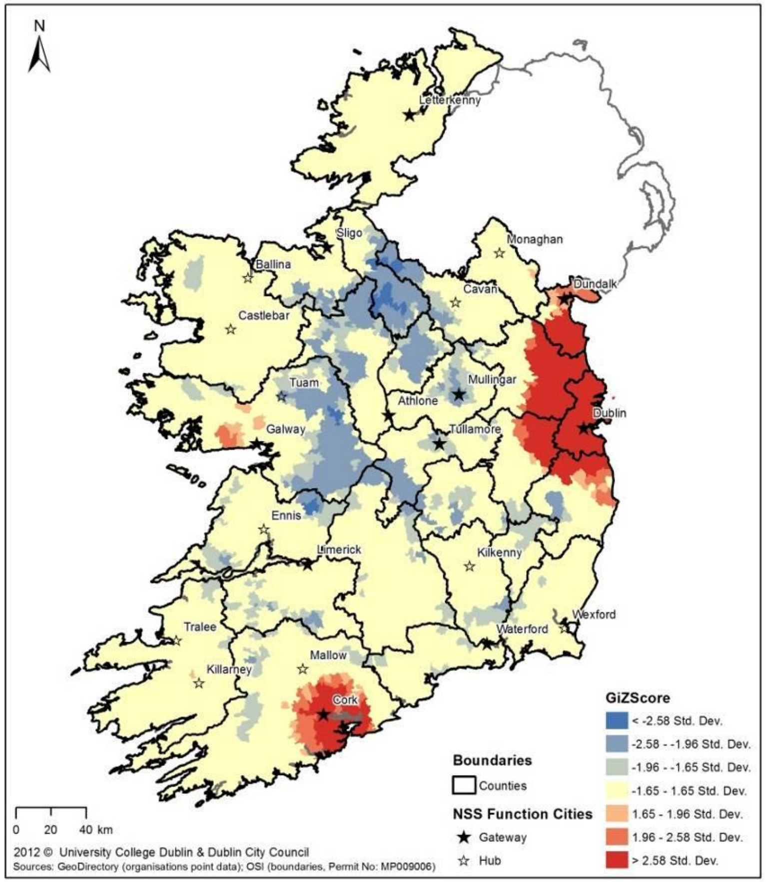


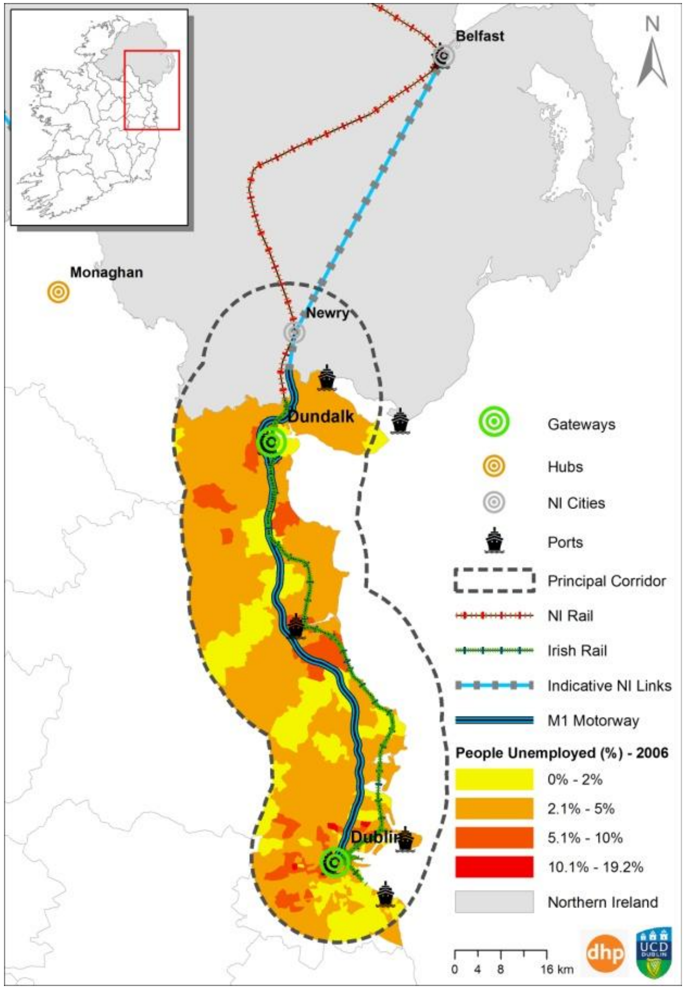


Job Density in Ireland based on 2006 Census data

(Morgenroth, 2011)

Spill-overs and Corridors

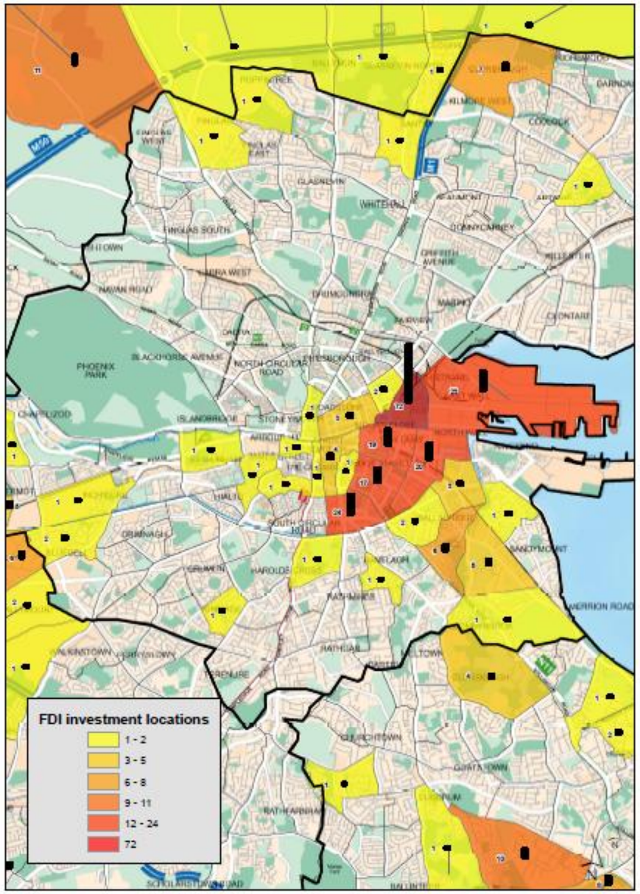




Concentration of Wholesale and Retail Business Locations

IDA investment locations

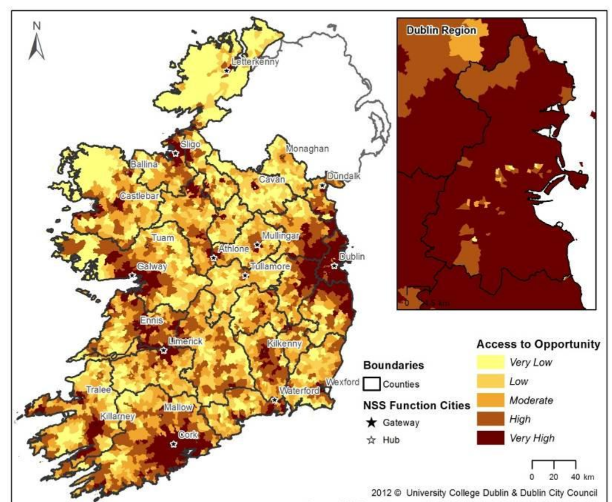
FDI investment locations by Electoral District (2012)



Locations in Dublin

Row Labels	Dublin	Cork	Galway	Limerick	Waterford	National Total
BUSINESS SERVICES	48%	25%	3%	5%	3%	100%
CHEMICALS	30%	25%	0%	15%	0%	100%
CONSUMER GOODS	25%	11%	0%	4%	9%	100%
ENTERTAINMENT AND MEDIA	83%	17%	0%	0%	0%	100%
FINANCIAL SERVICES	86%	2%	1%	1%	1%	100%
ICT	48%	19%	10%	5%	1%	100%
INDUSTRIAL PRODUCTS AND SERVICES	15%	16%	7%	4%	5%	100%
MEDICAL TECHNOLOGIES	11%	11%	17%	7%	3%	100%
PHARMACEUTICALS	29%	27%	0%	0%	6%	100%
TRANSPORTATION	0%	0%	0%	0%	0%	100%
Total	47%	13%	5%	3%	3%	100%

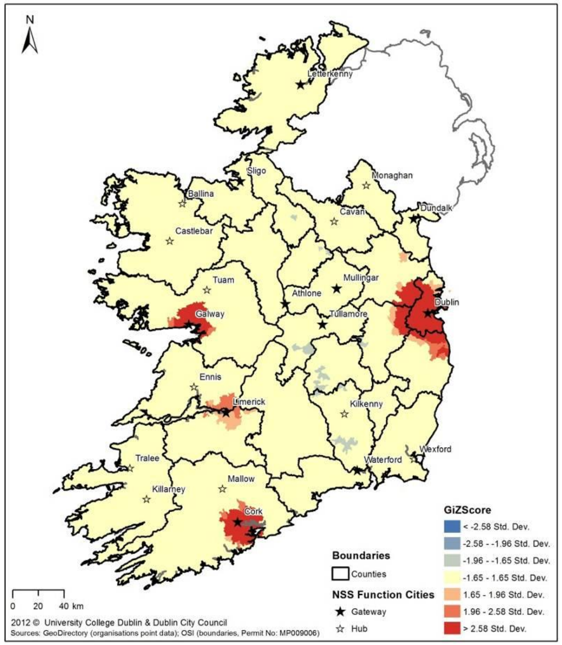
Investment Locations by key (Gateway) areas



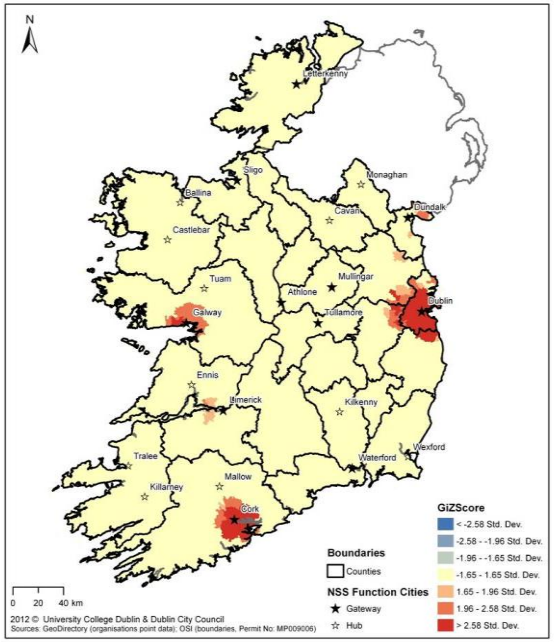
Opportunity Map for Enterprise Potential

Business Locations

- Where business locate across two growth Sectors
- Hot Spots in a few Key Gateways



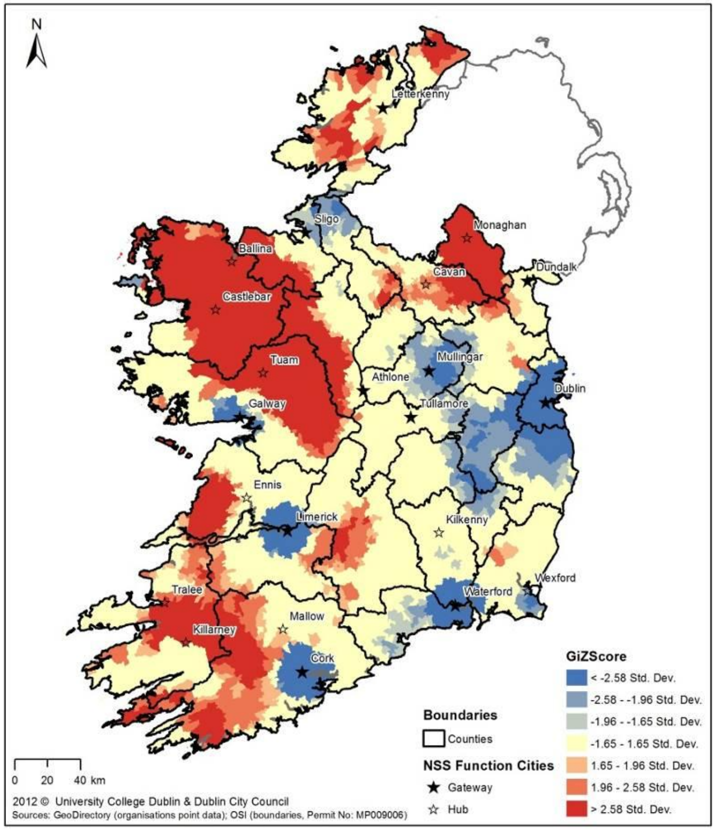
ICT

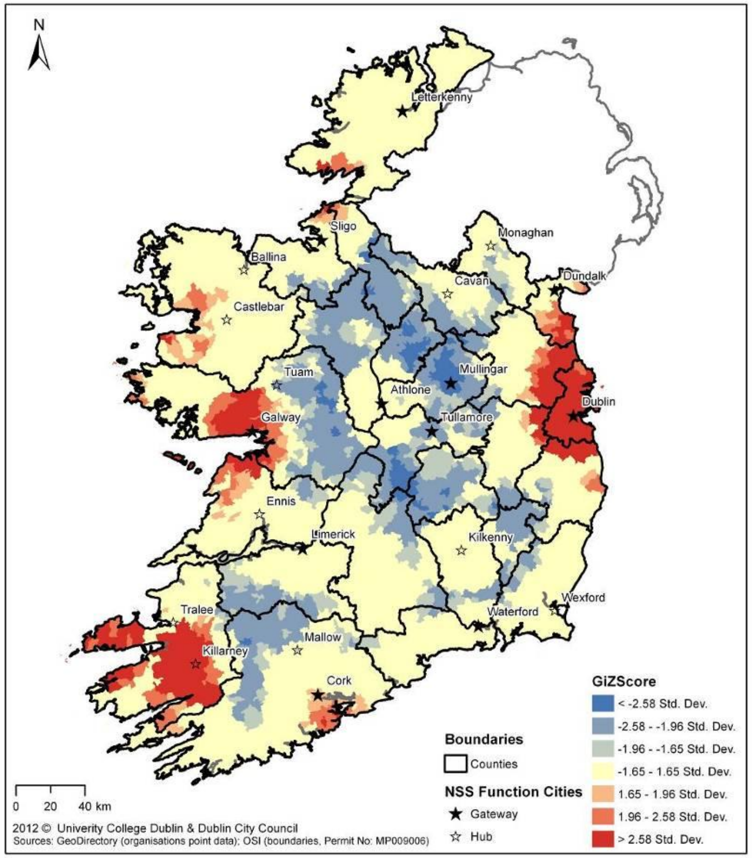


Financial
and Insurance Activities

Wholesale and retail trade

Accommodation and Food Services

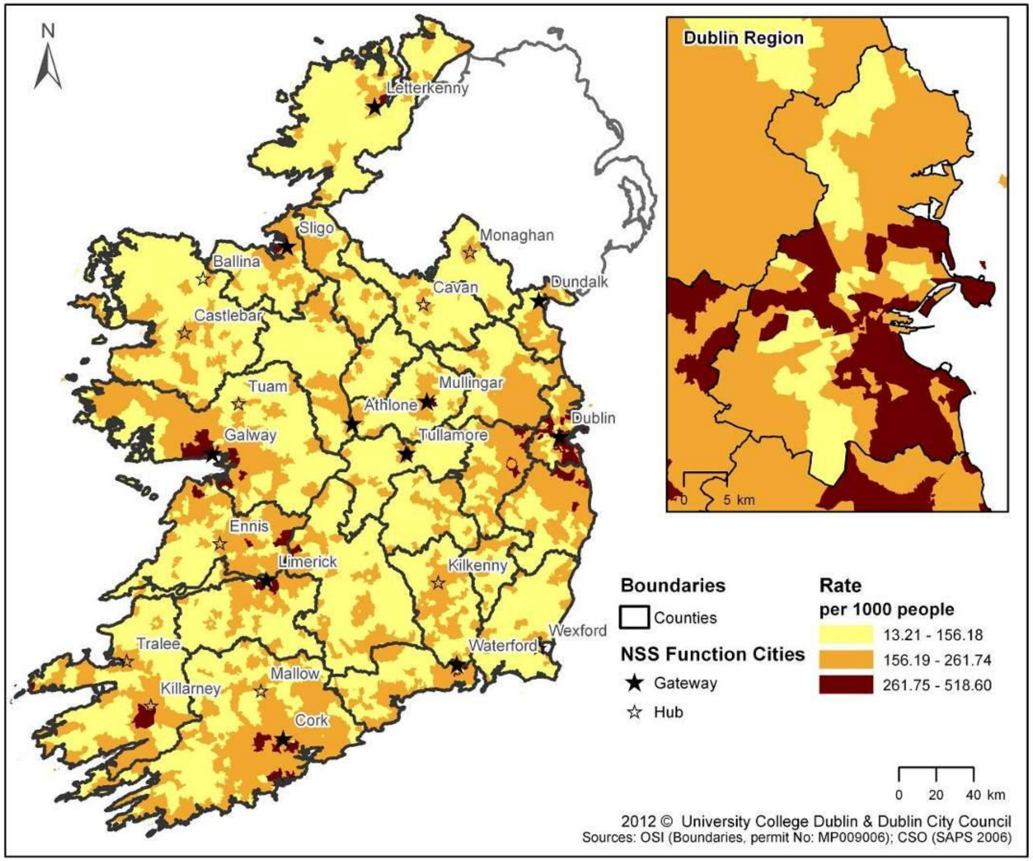




Different Strengths in Different Areas

Talent and Education

- Dublin and a few key Gateways are the centres for talent and opportunity
- Dublin is the only Gateway with more graduates than it produces
- Talent attraction and retention a recurrent theme of interview process
- Broader issue of agglomeration and clustering (business, talent etc.)



Conclusions

- By international standards Dublin is a medium sized or small city, ranked 77th out of 78 cities in terms of population by the OECD. Capital city regions in small and medium sized European states such as Ireland, Denmark and Netherlands often play a dominant role

- Dublin accounts for almost half of national GDP and its effective management and continued success is critical for the performance of the entire economy

Conclusions

- Dublin and its commuter counties face increased pressures as urbanisation and migration into east coast continues
- The Dublin region is expected to take a projected population increase of over 200,000 persons from 2010 to 2022 the Mid East has been apportioned 100,000 in the same period.

Conclusions

- The Functional Urban Area of Dublin in terms of clustering was shown to extend into the Dublin commuter hinterland and along key economic corridors such as the M1 Dublin-Belfast corridor
- Opinion from interview recognized the importance of Dublin to the rest of the country in terms of employment creation, tourist attraction and investment attraction.

Conclusions

- Dublin has the necessary skills and workforce magnitude to attract investment
- Business Demography analysis shows that Dublin has been resilient in certain sectors such as ICT and Finance, actually growing the numbers of enterprises notably in ICT.
- Key areas such as transport and broadband infrastructure require future proofing to maintain the competitiveness of Dublin. International benchmarks indicate a need to improve our performance in these areas to maintain competitiveness

Conclusions

- Interview also revealed a strong body of opinion which felt that local government structures are sub-optimal and that “regions” should set employment as well as population targets……
- Form, Financing and Funding go hand in hand
- **Common messages** included continued potential of the city region, brownfield regeneration, inadequate broadband, need for greater levels of collaboration, threat of congestion, skill and language deficiencies and th challenge of maintaining competitiveness
- Collaboration and knowledge share

Recommendations

- Strategic and Technical
  - To use evidence to influence future policy
    - Recognising in particular global position and the importance of international benchmarks
  - It is ***recommended*** from this that a Dublin Forum is formed under the auspices of the Creative Dublin Alliance including represntatives from across local government, business and academia, to regularly interrogate Dublin's performance. A joint technical research group should support this.

Recommendations

- In light of the evidence emerging from interviews the role of local government was also examined. A succession of ignored policy recommendations from the 1960’s on the form, funding and financing of local government were listed in Report 3. These reports generally support the interview opinion that local government should have greater levels of autonomy with the assigning of revenue generation powers to local government linked with expenditure responsibilities
- Dublin is a unique case which deserves not necessarily preference but attention
- Technical….