

Ibec President's Speech 2018

Paraic Curtis

20 September 2018

Thank you Edel.

A dhaoine uaisle, a cháirde, fáilte romhaibh.

Distinguished guests, ladies and gentlemen.

It's a huge honour for me to address you as Ibec's new President. As you know, I was elected as president by the Council this afternoon.

And I have to tell you, I was relieved that the election process was pretty straightforward.

Unlike others, it didn't involve securing the support of 4 county councils or 20 Oireachtas members, not to mention mortgaging my house to pay for an election campaign.

I would like to acknowledge and welcome some very distinguished guests. We know the Taoiseach could not be here, but we thank him for his video message.

We will shortly be joined by Minister Pascal Donohoe who will also address us and we also welcome former Taoiseach Bertie Ahern who joins us this evening.

As this is my first public address as President of Ibec, I hope you will bear with me when I talk about something that matters hugely to me.

That topic is how we can realise the potential of the Irish economy on the global stage and the important role that Ibec can play in making that a reality.

For most of us in this room, travel is a normal part of our job.

Please imagine that next week you travel abroad on business and you meet a colleague who is wearing contact lenses.

Did you know that there is a 1 in 3 chance that those lenses were made in Ireland?

Or you meet a colleague abroad who has had a knee replacement. There is a 3 in 4 chance that his or her new knee was made right here in Ireland.

Or you meet a colleague who has been off with cardiac trouble but is back working following the insertion of a stent or two.

There is an 8 out of 10 chance that person is benefitting from a stent made in Ireland.

These products and many more are found around the world because of the success of the Med Tech sector here in Ireland.

It is a sector that is realising its potential.

The largest Medtech hub in the world is Minnesota. The second largest Medtech hub in the world is Ireland, where it employs 38,000 people.

9 of the world's top 10 Medtech companies have a presence in Ireland. Clustered around these important multinationals is a thriving indigenous sector. And a significant proportion of this sector is located and prospering in the West of Ireland. Of the 450 MedTech companies in Ireland, over 60% are indigenous firms. Four out of five are SMEs.

Twenty-two years ago, I was living in Luxembourg when I heard about a company, Boston Scientific, who was building a factory in Galway to make something called Minimally Invasive Medical Devices.

What I didn't realise at the time, was that these devices were on the verge of revolutionising medicine. 25 years ago – the standard of care for a blocked coronary artery, was bypass surgery – a

very costly and traumatic procedure for the patient. Today, the standard of care is to insert a coronary stent. The patient is often in and out in 24 hours.

I was fortunate enough to eventually run Boston Scientific's Galway campus. I joined as a staff accountant when the site had three hundred staff. I see some former colleagues here tonight and they are now part of a workforce of some 5,000 people across three sites in Galway, Clonmel and Cork.

Today, I head up the global medical business unit of TE Connectivity, a large US Corporation that made a major step into medical devices in 2016 by acquiring an Irish firm known as Creganna. Operating as TE Medical, our global headquarters is in Galway from where we operate 15 factories and design centres across the world.

I repeat my point – Med Tech in Ireland is fulfilling its potential.

So, what's driven this success? What has happened in this sector that can be applied across Irish business?

MedTech has prospered here in Ireland through placing an emphasis on attracting and retaining talent, both domestic and from overseas. It has grown to be a world leader by being competitive and driving manufacturing and product innovation.

Originally a sector driven by a multinational agenda, the sector today has a thriving indigenous industry with prolific technology innovation. Both at home and abroad, Ireland-educated professionals are seen as the best in the world.

Talent. Productivity. Innovation. Let's learn from this and work together – Ibec, Government, Education, Industry and work to help realise the potential in more sectors.

All of this highlights why Ibec places great store in shaping public policy. In a few weeks' time, the Government will deliver Budget 2019.

Ibec has been working hard in conjunction with you, our members, in making a detailed submission to Government.

You consistently tell us how concerned you are about rising costs and rapidly falling competitiveness. It is vital that Government should not add to these pressures by putting too much money into the economy right now or by making policy changes that would add to the cost of doing business.

Irish business is also very concerned about the lack of investment in infrastructure and education. In particular, in higher education we need a plan and some bold moves to address the funding crisis and reputational slide, as evidenced by falling university rankings.

MedTech has benefitted hugely from close collaboration with third level education. The capacity of universities to partner with all businesses needs to be enhanced and the challenge of sustainable funding needs to be grasped.

I talked about the edge that Medtech has by virtue of prolific innovation. Innovators are risk takers. If we want to encourage innovators we must incentivise them, not penalise them.

Other Ibec business priorities for Budget 2019 include reforms of the share options regime to help firms attract and retain scarce talent; a greater focus on supporting indigenous enterprises; and commitments to underscore Ireland as a beacon of certainty for mobile investment in an increasingly uncertain global economy.

In addition to these short-term measures which we would like to see in the coming Budget, Ibec has also focussed on some of the longer-term challenges which are preventing this country from realising its potential.

Nowhere is this more evident than in the rising demands placed on our infrastructure and in particular, housing.

The intractable issue of inadequate provision of affordable housing and accommodation has presented Ireland with a social problem and therefore a talent problem.

In launching the Better Lives, Better Business campaign this summer, Ibec wants to make Ireland a better place to live and work. So, we have set about to deliver a range of policies and solutions across four key areas we see as critical to the medium-term health of the economy – housing, infrastructure, planning and sustainability.

The announcement by Government of Project Ireland 2040, with a planned spend of €116 billion on infrastructure, was greatly welcomed by Ibec. But, we believe more needs to be done. Speaking as someone based outside of Dublin, I believe we also need a greater focus on regionalisation.

In July, Ibec launched its Smarter World, Smarter Work campaign, which is designed to prepare Ireland for a new era of work.

New technology, new career paths and longer working lives requires a new approach to flexible working, better support for those out of work and labour market rules that actively encourage work and job creation.

This will require businesses to embrace change and facilitate new ways of working. But it also demands sensible regulation on the part of Government.

And then, there is Brexit!

For business, a 'no deal' outcome would be hugely damaging and must be avoided. As such, we hope and expect the EU-UK political agreement reached last December, will be delivered and given firm legal effect.

This must include clear, robust provisions to safeguard the all-island economy, avoid a hard border on the island of Ireland and protect all aspects of the Good Friday Agreement. Greater flexibility around the transition period will also be needed.

The future EU-UK trading relationship will also have to be agreed. Close alignment is in all our interests, but a UK political debate that has failed to confront the complexities and consequences of Brexit is frustrating progress.

Ibec's work to promote the closest possible future relationship and contingency planning will continue as talks progress.

Before concluding, I want to acknowledge that we have in the room, some of Ibec's distinguished alumni including former Presidents and CEOs whom I would like to both acknowledge and to thank for their contributions over the years.

I am looking forward greatly to working with Danny McCoy and his team over the next 12 months.

In celebrating 25 years of Ibec, we are reminded that Ibec's mission is to lead, shape and promote policies that help create prosperity in Ireland and create opportunities for people to lead better lives.

We occupy a front row seat to the economic, political and social history of the State ... at various times an active participant, a counterpart, or occasionally..... a thorn in the side.

Looking back 25 years to 1993, we had a coalition Government of the day with 101 seats, a comfortable majority of 15 over all its rivals.

25 years later, we now have a fractured political system, a minority Government supported by a Confidence and Supply Agreement. This is what the people voted for, but it provides a form of Government which can create uncertainty and, potentially, poor law.

There are many in Irish business who are concerned at the raft of populist, and short-sighted proposals emerging in recent times.

In this scenario, the role of Ibec has never been more important.

Over the last two and a half decades as we have seen much change, upheaval and success, there has remained one constant voice for Irish business. The importance of a positive and open engagement with Government and the Oireachtas is more important now than ever.

The dynamic of this relationship has helped underpin the success of the Irish business model. We are all ultimately pulling in the same general direction. And that direction is always .. towards a better Ireland for all.

I must thank Edel for her excellent contribution during her term as President as she hands over the baton to me. I also welcome Pat McCann as Deputy President for the forthcoming year.

There are a lot of people who have worked extremely hard behind the scenes to make this evening a success and we appreciate your efforts.

And finally, remember when you meet that colleague abroad, remind them that they are blessed

- to see the world through Irish eyes,
- to be walking on an Irish knee or
- best of all, to have a piece of Ireland in or near their heart.

Thank you for being here here tonight and for listening. I do hope you enjoy the rest of your evening.