PRESS RELEASE

Expert Group identifies Future Skills Needs of the Green Economy

Green Skills prioritised in National Recovery Plan

(Monday, 29 November 2010) The Expert Group on Future Skills Needs (EGFSN) today launched its report, *Future Skills Needs of Enterprise within the Green Economy in Ireland*. The fast growing Green Economy has been identified as an area where Ireland has potential for growth, as highlighted in the Government's *National Recovery Plan 2011 – 2014* published last week.

The study identifies the future skills needs of enterprise to capitalise on the green economy in Ireland and proposes a range of measures to ensure that their future skills base will drive business and employment growth. Six sub-sectors, identified as having business and employment growth potential, are included in the study. These are: renewable energies; efficient energy use and management; water and waste water treatment; waste management, recovery and recycling; environmental consultancy services; and green ICT applications and software. The sector includes companies created specifically to service the environmental goods and services market as well as those within more traditionally defined sectors, such as engineering, that are diversifying in response to growing market opportunities.

Speaking at the launch, Sean Haughey TD, Minister for Lifelong Learning said "This report is valuable and timely given the redoubled focus on the Green Economy as one of the prioritised sectors identified in the Government's National Recovery Plan. It has strong potential for business and employment growth over the next few years. The implementation of the report's recommendations will help ensure that education and training provision is optimally aligned to the future skills needs of businesses in the sector and assist people in making an informed decision around potential employment opportunities and their career choice."

Una Halligan, Chairperson of the EGFSN said "This is a sector with employment growth potential at all occupational and skills levels – including operatives, skilled workers, sales and office staff, technicians, managers, professional engineers, scientists and business professionals. Extensive research work has been undertaken with many senior managers and decision makers of companies in the sector to identify future skills requirements. The report also draws upon valuable learning and best practice from other companies."

Martin Shanahan, Chief Executive of Forfás, commented "Companies and regions that become leaders in green innovation, design and technology are more likely to retain and create new job opportunities. The right supply of skills and talent in the industry will help drive companies' long term productivity and competitiveness within both domestic and export markets."

Key findings from the report include:

- The sector employs 18,750 people with a market size estimated at €3.05 billion.

- There are strong global and domestic drivers of growth positively impacting on the sector including climate change commitments and environmental regulations and directives.
- The global market for environmental goods and services is currently approx €1,100 billion. It is anticipated that global spending could reach €1,900 billion by 2020.
- A key challenge for Irish indigenous companies will be to increase the value of their exports estimated at €370 million, currently representing 20 per cent of total sales.
- Job opportunities would arise within all skills levels – including for operatives, skilled workers, sales and office staff, technicians, managers, engineers, scientists and professionals. If substantive progress was made in addressing technical, regulatory and planning challenges to the development of the sector, around 14,500 job opportunities could arise over the next five years.
- Key skills requirements include the development of core business, engineering and ICT skills with additional expertise acquired through 'add-on' specialism modules.
- Sixty percent of the companies surveyed stated that they had a current skill gap. These arise from the drive to improve productivity and the need to meet customer demand.
- There are a range of generic competences important across occupations. These include entrepreneurship, math proficiency, commercial awareness, foreign languages, finance, marketing, creativity and innovation, problem-solving and communication skills.

The report makes a number of recommendations:

- **Align Education and Training Provision to Enterprise Needs:** There is significant scope for improving the alignment and coherence of current education and training provision for the sector while optimising the use of existing funding. One institution should build up expertise within a specialism area for the development of modules and qualifications, and then share this knowledge across the system rather than several doing this as at present.
- **Enhance Management Development:** For business to grow, Irish companies need to be more successful in internationalising their business. Key export skill requirements include marketing and sales, finance, business market intelligence, foreign language fluency, awareness of cultural differences, managing partnerships and knowledge of international environmental standards and regulations.
- **Build Engineering and Business Skills Capability:** Key skills supply requirements for engineers and scientists are for core business, engineering and ICT skills capability with 'add on' specialism knowledge. Architects and professionals require knowledge of sustainable building design and their energy efficiency requirements.
- **Develop Technicians Skills Capability:** Meet strong demand for technicians with the electro, mechanical and ICT skills for the installation, servicing and maintenance of wind turbines and other small scale renewable energy power sources as well as electric car charging points and the operation and maintenance of biomass installations.
- **Develop Sales and Marketing Skills Capability:** The skills demand is for technical staff to sell internationally. Upskilling will be required around opportunities that will arise through the introduction of 'green' public procurement.
- **Develop Skilled Workers' Capability:** Skilled workers require system knowledge of energy efficient heating and lighting appliances and advising customers of their economic payback. Demand should be anticipated for an additional 400 jobs that will arise from the planned installation of domestic and commercial water meters.

- **Develop Operatives Skills Capacity:** Operatives will need upskilling in the upgrading of internal and external insulation of buildings. Additional demand is anticipated for 100 to 150 operatives in anaerobic digestion.
- **Increase Structured Graduate Placement and Internship Opportunities:** Companies consider that well structured internship and placement programmes would enhance graduate employability and benefit both the student and the employer.
- **Communicate the professional career opportunities on offer within the sector:** Enterprise should communicate the attractive career opportunities on offer within the sector particularly to attract more women into engineering disciplines.
- **Enhance the Mathematical Skills of the Workforce:** The mathematical proficiency of those in the workforce needs to improve. Mathematical upskilling modules should be developed to meet the maths upskilling needs of workers.

The full report, *Future Skills Needs of Enterprise within the Green Economy in Ireland* is available at www.skillsireland.ie and www.forfas.ie.

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