

Press Release

EFFECTIVE IMPLEMENTATION OF INFRASTRUCTURE INVESTMENT PLANS IN NATIONAL DEVELOPMENT PLAN CRITICAL TO PREVENTING DETERIORATION IN IRELAND'S INTERNATIONAL COMPETITIVENESS – NATIONAL COMPETITIVENESS COUNCIL

Effective and timely implementation of infrastructure investment plans contained in the national Development Plan is critical to preventing a marked deterioration in Ireland's international competitiveness, the National Competitiveness Council (NCC) says in a new report entitled "Proposals on Transport Infrastructure, the Planning Process and Public Transport" published today (Wednesday, 1 March).

The NCC says that key projects of strategic importance in Ireland's national transportation infrastructure remain seriously behind schedule. "Delays in delivering planned infrastructure compound current bottlenecks, increase congestion costs, and by failing to meet expectations, undermine the credibility of the commitment in the NDP to respond to the transport crisis," it says.

The council believes that if not addressed, the scale of capacity constraints currently affecting the construction sector threaten the realisation of the strategies set out in the Government's National Development Plan. However, the council also believes that the proposed Planning and Development Bill 1999 should, provide it is enacted as planned by Easter 2000, help reduce existing planning delays.

The council believes that the prioritisation of key strategic projects in national transportation infrastructure is imperative. Their completion must be primary operational objectives of the NDP.

In addition, the council also recommends that public support should be mobilised for the undertaking of priority projects in national transportation infrastructure, as outlined in the NDP. “Public awareness of the prospective high cost to society of failing to secure efficient and timely delivery of current plans must be heightened”, it notes.

Serious deficiencies in transport infrastructure undermining economic growth and international competitiveness

The council says that Ireland’s future economic growth and international competitiveness are currently being undermined by serious deficiencies in Ireland’s transport infrastructure and public transport services. These pronounced weaknesses are now interacting through a number of related channels:

- The poor quality of public transport and the congested road network are reducing labour availability and impeding labour market flexibility. Long commuting times are also reducing productivity and diminishing the quality of life.
- Dramatic increases in employment over the 1990s, allied to expanding residential developments and commuter zones have placed further strain on the transportation system and contributed to upward pressure on house prices and rents.
- Ireland’s attractiveness for continued inward migration, critical to supporting competitiveness, is being undermined.

- The consequent intensification of skill and labour shortages threatens Ireland's attractiveness for foreign direct investment, the motor of Ireland's economic transformation over recent years.
- Increased cost and lower productivity in transport and distribution has negative consequences for the competitiveness of the enterprise sector.
- The ESRI's medium term review 1999-2005 is categorical in its emphasis on the need for much improved transportation infrastructure and services. It explicitly links its benign central forecast to successful delivery of improved transport infrastructure.

Key Recommendations

In its report, the council makes seven key recommendations, as follows:

- The regulatory and cost accounting frameworks for public transport services should be reviewed as a priority, and reformed as required, so as to achieve a significant increase in the capacity, convenience, quality and competitiveness of public transport services. Competition is integral to enhance service levels.
- There are clear limits on the supply of road transport infrastructure in urban areas. Demand for existing infrastructure must be better managed to promote effective utilisation. Demand management in the form of user charges such as road pricing should be urgently assessed.
- The key planning provisions of the Planning and Development Bill 1999 should be enacted, as planned, by Easter 2000. The administrative resources required by An Bord Pleanála, relevant Government departments, local authorities and the courts for the efficient and effective implementation of the provisions of the bill in respect of major infrastructure projects should be swiftly put in place.

- The National Spatial Strategy (NSS) should be designed strictly within two-year time frames set out by the Government in the NDP and fully address the needs for the development of detailed transport plans and strategies. Additional resources, as required, should be provided for the preparation and monitoring/review of the NSS.
- Consideration should urgently be given to the establishment of an overarching body directly responsible to Government for effective implementation of transport improvements and the direct coordination of the activities of relevant agencies involved in providing improved transport services. This organisation could be established as a new body or through empowerment of an existing body.
- Priority projects in national transportation infrastructure under the NDP should be identified and their completion established as primary objectives of the relevant operational programmes. Progress in implementation should be monitored continually and measured effectively.
- The appointment of a small number of Senior Programme Managers with powers and responsibility for the delivery of priority infrastructure plans should be considered in the context of examination of institutional and administrative arrangements for the implementation of strategic projects in national transportation infrastructure.

Commenting on the report, the chairman of the National Competitiveness Council, **Mr Brian Patterson**, said that the council did not believe that addressing merely one or some of the constraints on timely development of infrastructure would be sufficient.

“In particular, the high-level work of the Cabinet Committee must be complemented by acceleration of project planning, the streamlining of approval processes and building-up programme and project management capacity in the delivery agencies.”

Mr Patterson said that while the council believed that the allocation of very substantial resources for investment in the National Development Plan represented a major step towards overcoming the serious infrastructural constraints currently threatening to undermine Ireland’s medium term economic growth, the prioritisation of major projects was the key to future success in competitive terms.

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