

*Digital transformation will slow the rate of job creation over the next five years, but will also create new roles that will require reskilling for existing workers.*

Expert Group on Future Skills Needs publish ‘Digital Transformation: Assessing the Impact of Digitalisation on Ireland’s Workforce’

7th December 2018



The Expert Group on Future Skills Needs has published ‘Digital Transformation: Assessing the Impact of Digitalisation on Ireland’s Workforce’, a new study on the impacts of the adoption of digital technologies over the years 2018 to 2023. This study provides insights on the impacts that the adoption of digital technologies will have on workers in Ireland by sector, occupation and region, and highlights the opportunities and challenges that this will present.

Digitalisation is a major driver of productivity growth through the improvement of process efficiency and the quality of products and services. The growing adoption of technologies is disrupting traditional roles and transforming the world of work, with one in three jobs in Ireland at high risk of being affected by digitalisation. It has been identified that those most at risk of displacement by digital technologies are those with lower levels of education.

The report finds that all sectors (excluding financial services and real estate) will be employing more people in 2023 than they do currently. It also predicts that employment in every occupational group will experience positive year-on-year change to 2023. Despite this, the adoption of digital technologies will lead to a slowdown in employment growth. This will result in 46,000 fewer jobs being created than would have been created without digitalisation.

The report finds that the existing national skills architecture is well-positioned to respond to the impacts of increased digitalisation. There are already a number of programmes in operation which are targeted at aiding the upskilling and reskilling of employees, such as the EXPLORE programme, Springboard+, Skillnet Ireland programmes and the Skills to Advance initiative. The report cautions that, whilst the skills architecture is functioning well in our current economic climate, it is important to ensure that the systems in place can deal with the ongoing future challenges of digitalization.

Minister of the Department of Business, Enterprise and Innovation, Heather Humphreys, said:

‘This report is an important contribution to our understanding of the impact of digitalisation on Ireland’s economy, especially as we develop the ‘Future Jobs’ initiative, a new whole-of Government plan to secure Ireland’s economic success, starting in 2019.

Without a doubt, digital technologies will pose several challenges in the coming years. However, we are already addressing its impacts through existing enterprise strategies and initiatives like the new €500m Disruptive Technologies Innovation Fund, which is about securing the jobs of the future.

“I firmly believe that Ireland now has a unique opportunity to position itself at the forefront of digital technologies through putting an even greater focus on skills and capitalising on our strong ICT sector. I look forward to working closely with my colleague Minister for Education and Skills, Joe McHugh, to ensure that we can build on the progress already made.’

Mr John Halligan TD, Minister of State for Training, Skills, Innovation, Research and Development said:

‘Digital Transformation’ is a welcome contribution to the ongoing preparation for future skills demands. As we embrace the flexibility and competitive advantage offered by new technologies it is important to strike a balance with the need to ensure enterprises and employees are supported through an engaged and responsive system of skills provision. As digitalisation changes job roles and lifelong learning becomes more essential, close collaboration between public bodies and employers will be key to achieving this balance.

Minister of Education and Skills, Joe McHugh said:

‘I welcome this report by the Expert Group on Future Skills Needs, which will feed into the work of the National Skills Council. There is already significant work ongoing in addressing the skills needs that will arise as a result of the changing workplace, and this report is a useful additional piece of work which will further assist us in planning future provision in this area.’

Chairperson of the Expert Group for Future Skills Needs (EGFSN), Tony Donohoe said:

‘Digital transformation is a key component to business success. Whilst this report predicts that the economy will grow strongly over the next five years, it also makes clear that due to the increased adoption of digital technologies there will be significant disruption to job roles and tasks performed by individuals. Career changes and workforce transitions will be a feature of the future. This means that lifelong learning will become even more of an imperative for the workforce. With the digital explosion of the 21st century, numerous studies have been published predicting the potential impact of new technologies on a global scale. ‘Digital Transformation’ provides insight into the impacts in the Irish context.’

The full report can be read at: [Digital Transformation: Assessing the Impact of Digitalisation on Ireland’s Workforce](http://www.skillsireland.ie/Publications/2018/Digital-Transformation-Assessing-the-Impact-of-Digitalisation-on-Ireland-s-Workforce.html)

For further information please contact [info@skillsireland.ie](mailto:info@skillsireland.ie)