

Opening address of the Minister for Enterprise, Trade and

Employment, Simon Coveney T.D.,

Joint Committee on Enterprise, Trade and Employment

Leinster House, 10th May 2023

Thank you for this invitation to brief you today and I look forward to updating you on the work of my Department in the first quarter of 2023.

At the outset, it is worth noting that more people are employed in Ireland today than ever before. CSO data published last week shows the unemployment rate for April 2023 was down to 3.9%.

Clients of the Enterprise Agencies of my Department now employ over 550,000 people which is over 21% of the total workforce.

As a country we are close to full employment. The economy is well diversified, with hundreds of thousands of people employed in pharmaceuticals, agri-food, med-tech, retail, construction, ICT and financial services.

Despite the impact of the war in Ukraine, inflationary pressures and disruptions to the global supply chain our export performance continues to be very strong. Informed by our new Trade and Investment Strategy we are working to enhance our excellent reputation as a world-class supplier of goods and services, while also successfully securing new business in markets around the world.

Trends in the first quarter are positive, with 11 new IDA Ireland jobs announcements, generating 600 new jobs across the country.

Given where we were a couple of years ago, with the pandemic and Brexit, and the current challenges we are facing, our performance is a testament to the hard work and remarkable resilience of Irish enterprise. It is also a result of our enterprise policies and implementation by my Department as well as EI, IDA and the LEOs.

There is however no room for complacency.

The White Paper on Enterprise published in December provides a fresh impetus for progress. It sets a vision for enterprise to succeed through competitive advantage founded on sustainability, innovation and productivity as well as delivering rewarding jobs and livelihoods.

This approach will ensure we build on our economic strengths as an open economy with strong trade and foreign direct investment, as a vibrant innovation hub, and with a resilient enterprise base and labour market.

Notwithstanding our strong employment and trade performance, the global economic outlook remains uncertain.

In 2023 my Department continued to be at the forefront of the Government's response to the challenges brought about by the war in Ukraine which include disrupted supply chains, inflation, and high energy costs.

We have launched a suite of new initiatives and made improvements to others. In January, the Ukraine Credit Guarantee Scheme, valued at €1.2 Billion, got underway.

This Scheme provides certainty to business that their liquidity funding needs can be met through low-cost loans supported by the Government.

Complementing this was the extension and expansion of the €200 million Ukraine Enterprise Crisis Scheme to assist viable but vulnerable firms in the manufacturing and internationally traded services sectors.

I am acutely aware of the significant impact that energy costs are having on businesses, and we have extended and enhanced the Temporary Business Energy Support Scheme to increase the levels of relief available to companies.

The White Paper on Enterprise recognises the opportunities that arise as we transition to a climate neutral, sustainable and digitally connected Ireland.

Our aim is to be at the forefront of what is a global transition, maximising the potential in emerging technologies and markets, ensuring a strong reputation as a leading ‘green’ economy.

In March we established new working groups to ensure we meet our ambitious Climate Action Plan targets to decarbonise industrial heat and the commercial built environment.

We have also committed to developing a National Industrial Strategy for Offshore Wind.

Harnessing this vast resource can help Ireland tackle the climate crisis, reducing emissions and position Ireland as an attractive place for global business.

We are continuing our important stakeholder engagement, with regular meetings of groups such as the Enterprise Forum, and the Retail Forum. Stakeholder engagement greatly assists us in developing strategies, policies and programmes.

To date we have held two of nine ‘Building Better Business’ events. These events are being rolled out across the country to help enterprises navigate the green transition and to boost performance through digital transformation.

In January, we launched the pilot framework to extend the mandate of the Local Enterprise Offices in January. This will allow for the provision of direct grant aid to companies with over 10 employees in the manufacturing and internationally traded services sectors with export ambition.

In February, we hosted a construction industry outreach event, ‘Collaborate to Innovate,’ to examine how best to promote innovation in the sector and accelerate the adoption of modern methods of construction in the delivery of housing.

We have expanded our supports for targeted, business focused, research, development and innovation. In March a sixth call of the Disruptive Technologies Innovation Fund was launched. This call had a focus on projects that complement our policy objectives on digital transformation, integrating decarbonisation, and meeting our net zero commitments.

We continue to advance our legislative priorities, and this year will progress Bills on the Control of Exports, Digital Services, the Screening of Third Country Transactions and Representative Actions.

Ministers Calleary and Richmond are also advancing important legislation to enhance the protection of employees in collective redundancies following insolvency.

To ensure that work pays more, on the first of January the National Minimum Wage increased by 80 cent, to €11.30 per hour. This increase can be considered the first year of the proposed four-year path towards reaching the living wage of 60% of the median wage.

To ensure our strong performance continues, I am currently finalising a new Departmental Statement of Strategy, which will run to 2025.

Guided by the objectives of the White Paper on Enterprise, it will give us a strategic framework to not only protect the progress made but to build a greener, more sustainable, and more prosperous Ireland.

My Department has an ambitious programme of work set out for the year ahead. I can assure the Committee that I will continue to work hard to make the right policy calls for employment creation, enterprise development, trading relationships, safeguarding workers, consumer protection and to ensure fair competition in the marketplace.

I look forward to a constructive exchange this morning and am happy to take any questions Members may have.

Thank you.

ENDS