

## **Opening Statement for the Department of Enterprise, Trade and Employment on *Sustainable Development Goals***

Good morning, Cathaoirleach and Members. My name is Dr. Dermot Coates and I am Chief Economist with the Department of Enterprise, Trade and Employment and I am joined by my colleague Mr. Joseph Cummins, Principal Officer leading the Climate Action Unit. We are very pleased to be here this morning before the Joint Committee on Enterprise, Trade and Employment to discuss our Department's progress in developing and implementing the Sustainable Development Goals which apply under the aegis of the Department.

The Department of Enterprise, Trade and Employment is actively engaged in the 'whole-of-Government' approach towards achieving the SDGs. The Department has contributed to the drafting of the **National Implementation Plan for the Sustainable Development Goals 2022-2024** through its membership of the SDG Senior Officials Group and the SDG Interdepartmental Working Group and through bilateral contacts with the Department of Communications, Climate Action and Environment.

Our Department currently holds a lead role for several SDG targets under:

- Goal 8 (Decent work and economic growth): targets 8.2, 8.3, 8.5, 8.8, and 8.b
- Goal 9 (Industry, innovation, and infrastructure): target 9.2
- Goal 10 (Reduced inequalities): target 10.8
- Goal 12 (Responsible consumption and production): target 12.6
- and Goal 17 (Partnerships for the Goals): targets 17.10 and 17.12

We have undertaken extensive work to mainstream these targets into our overall approach. The **Statement of Strategy 2021-2023** was developed in the context of its role in contributing to the SDGs. In particular, Goal 4 of the DETE'S Statement of Strategy, i.e., to deepen and extend Ireland's Global business and trade in a fair and sustainable manner and commits to developing Ireland's global business and trade in a fair and sustainable manner supportive of high labour standards in growing further the all-island economy.

The Government's **White Paper on Enterprise 2022-2030** published at the end of last year sets out Ireland's policy for the medium- to long-term, to realise the vision of a resilient, inclusive, and sustainable enterprise growth model for Ireland in the future. The White Paper notes the importance of embedding SDGs into enterprise policy, supporting firms to apply their creativity and innovation to solving sustainable development challenges. This includes highlighting the importance of resource

circularity, responsible business and corporate sustainability best-practices, to enable enterprises based in Ireland to compete on quality, reliability, value-added and customer service in a more sustainable manner.

The White Paper also highlights the importance of skills and workforce development policies which aim to activate groups currently underrepresented or underemployed in the labour market, including on pay, flexible working and reducing barriers to workforce participation. Furthermore, the White Paper embeds sustainable business models and policies to boost productivity through investment in innovation, digitalisation, and management capacity, leading to increased exports from Irish-owned companies and a more diversified and resilient trade portfolio.

**Progress on:**

- **Target 8.2:** “Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high value added and labour-intensive sectors”;
- **Target 8.3:** “Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium-sized enterprises, including through access to financial services”;
- **Target 8.5:** “By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value”;
- **Target 9.2:** “Promote inclusive and sustainable industrialization and, by 2030, significantly raise industry’s share of employment and gross domestic product, in line with national circumstances, and double its share in least developed countries”.

This Department has developed and implemented various policies and interventions with a view to progressing SDG targets in relation to supporting productive activities, full employment and promoting decent work, entrepreneurship, creativity, and innovation (SDG Targets 8.2, 8.3, 8.5, and 9.2).

The Department has supported the growth of micro and SMEs through providing a range of **access to finance options**. Several lending and grants schemes were made available including the Brexit Impact Loan Scheme, the COVID-19 Loan Scheme, the Capital Investment Scheme, the Restart Grant and

Restart Grant Plus, the COVID-19 Credit Guarantee Scheme, and the Future Growth Loan Scheme, the Sustaining Enterprise Fund, the Accelerated Recovery Fund, the Ukraine Credit Guarantee Scheme, and the Growth and Sustainability Loan Scheme. To enhance enterprises' access to finance, DETE progressed legislative amendments to the Credit Guarantee Act, the Loan Guarantee Schemes Agreement Act, and the Microenterprise Loan Fund Act.

The Department has also invested in the development and upgrading of innovative technologies targeted at tackling national and global challenges (the €500 million Disruptive Technologies Innovation Fund, and the €85 million Digital Transition Fund). The DETE also participated in developing the National Digital Strategy **Harnessing Digital - The Digital Ireland Framework**. DETE leads the implementation of the Enterprise Pillar to develop a strong digital ecosystem for SMEs to increase Ireland's digital competitiveness.

To progress the implementation of SDG targets, DETE has prioritised engagement with business, employer and employee representative groups and stakeholders, through various initiatives such as the Enterprise Forum, the Retail Forum, the Company Law Review Group, the Enterprise Digital Advisory Forum and the Labour Employer Economic Forum and other groups set up for specific purposes. These groups, working with DETE's Offices and Agencies, and other government departments, provided platforms for direct engagement with the enterprise sectors as they prepared for Brexit and dealt with the impacts of COVID-19 and the Ukraine crisis.

#### **Progress on:**

- **Target 8.8:** "Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment".

During the COVID-19 pandemic, the Department led on the development of the **Work Safely Protocol**, working across government and with employer and employee stakeholders. The Health and Safety Authority established a new Occupational Health Division, to provide a more strategic long-term focus on occupational health hazards through visible inspections across all sectors. the Workplace Relations Commission (WRC) participates in an EU-wide initiative 'European Multidisciplinary Platform Against Criminal Threats' (EMPACT) of the European Labour Authority (ELA) to support fair and safe conditions for seasonal workers employed across EU countries. The WRC has also worked with the National Disability Authority so that the WRC website is fully compliant with **accessibility requirements**.

Information on the website is translated into several languages and interpretation services are available to WRC clients for case hearings and engagements with WRC inspectors.

**Progress on:**

- **Target 8.b:** “By 2020, develop and operationalize a global strategy for youth employment and implement the Global Jobs Pact of the International Labour Organization”.

Pathways to Work Strategy 2021-2025 - Ireland’s national employment services strategy was published by the Department of Social Protection (DSP) in July 2021. Focus groups were set up in collaboration with the Irish National Organisation of the Unemployed (INOUE) in September 2022, seeking the views of young jobseekers to integrate into the Charter text. A final report of the focus groups’ findings was completed by the INOUE in March 2023 and is being considered in the drafting of the revised Charter.

25 job promotion and recruitment events were hosted for young jobseekers (under 30 years) during the period Q3, 2022 to Q2, 2023, with attendance by 1,303 young jobseekers, 74 employers and 85 representative organisations. Developing ‘Get Work Ready’ work and transversal skills programmes to be delivered via the further education and training sector. Latest data indicate that by the end of Q1 2023, the Skills to Compete enrolments reached 11, 102. In addition to the STC initiative, SOLAS delivery of transversal skills courses resulted in 2,490 enrolments completed successfully by the end of Q1 2023.

**Progress on:**

- **Target 10.a:** “Implement the principle of special and differential treatment for developing countries, in particular least developed countries, in accordance with World Trade Organization agreements”;
- **Target 17.10:** “Promote a universal, rules-based, open, non-discriminatory and equitable multilateral trading system under the World Trade Organization, including through the conclusion of negotiations under its Doha Development Agenda”;
- **Target 17.12:** “Realize timely implementation of duty-free and quota-free market access on a lasting basis for all least developed countries, consistent with

World Trade Organization decisions, including by ensuring that preferential rules of origin applicable to imports from least developed countries are transparent and simple, and contribute to facilitating market access”.

Our **Trade and Investment Strategy 2022-2026: Value for Ireland, Values for the World** identifies Ireland’s commitment to a more sustainable and responsible trade policy via promoting human rights, safeguarding the environment, protecting social and labour rights, and enhancing gender equality.

The Department is actively involved in a number of relevant files, such as the EU’s **Generalised Scheme of Preferences (GSP)**, the Cotonou Partnership Agreement, the implementation of EU Agreement on Anti-Dumping measures, and the Agreement on Fisheries Subsidies.

**Progress on:**

- **Target 12.6:** “Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle”.

We have responsibility for the transposition of the Corporate Sustainability Reporting Directive, and a project plan has been developed to achieve this goal before the July 2024 deadline. A number of awareness-raising webinars were held with relevant stake holders to discuss Corporate Sustainability Reporting Directive. The Department has issued draft instructions to the Office of Parliamentary Counsel and further stakeholder events are planned for the rest of 2023. A public consultation was also launched in January 2023, seeking views on the Member State options contained within the Directive and to provide an opportunity to comment more broadly on matters contained in the directive to inform the policy approach taken in Ireland.

We have seen a significant and rapid recovery in Ireland’s labour market in the past 18 months. Against this backdrop and reflecting on some of the lessons learned during the pandemic-era, this Department has led on a range of initiatives that will improve working conditions in Ireland over time. These include:

- The Sick Leave Act 2022 ensures that, for the first time, all qualifying employees will have an entitlement to employer-paid sick leave. This progressive Act commenced on 1st January 2023.

- The Payment of Wages (Amendment) (Tips and Gratuities) Act 2022, which came into effect on 1st December, gives employees legal rights on the protection of workplace tips.
- The Redundancy Payments (Amendment) Act 2022 was commenced in April 2022 and ensured that employees made redundant during COVID-19 will receive the same total payment as if they had not been laid off during the pandemic.
- To bring Ireland in line with the European average, a new public holiday was introduced in January 2022 and will fall on the first Monday of February, St. Brigid's Day/Imbolc.
- A Sectoral Employment Order (Construction Sector) 2021 came into effect in February 2022 setting the statutory minimum rates of pay and other conditions for persons employed in the construction sector.
- The Report of the High-Level Review Group on Collective Bargaining, established under the auspices of the Government's Labour Employer Economic Forum (LEEF), was published in October 2022 and the recommendations are being considered by the Department.
- The Low Pay Commission recommendations to move to a living wage were announced in November 2022. The national living wage will be set at 60% of hourly median wages. It will be introduced over a four-year period and will be in place by 2026, at which point it will replace the National Minimum Wage.
- The Right to Request Remote Working Bill has been integrated into the Work Life Balance and Miscellaneous Provisions Bill. The Bill has been approved by the Dáil and enactment is expected early in 2023.
- Regulations to transpose the Transparent and Predictable Working Conditions Directive into Irish law are being finalised. This will promote more transparent and predictable employment while ensuring labour market adaptability.
- The National Remote Work Strategy was launched in January 2021 to maximise the economic, social, and environmental benefits that remote working can bring, and to provide opportunities for balanced regional development.

As a result of the Government policy in supporting enterprise sector and full employment, there has been a strong growth in employment over the last two years. By the end of 2021, employment figures were well above pre-pandemic levels. The target of 2.5 million people at work, set out in the **National Economic Recovery Plan**, was achieved in Q2 of 2022 and the number in employment (seasonally adjusted) stands at 2.629 million in September 2023. Moreover, as of October 2023, the seasonally adjusted monthly unemployment rate stands at 4.8%, and the seasonally adjusted youth unemployment rate (for persons aged 15-24 years) at 12.5%.

Finally, this Department actively collaborates with other Government Departments in the achievement of SDGs through its active participation in the Interdepartmental Working Group (IDWG) on the SDGs, and the Senior Officials Group (SOG) on the SDGs. Representatives from DETE have been present to the SDG National Stakeholder Forums regularly held, and they were involved in the selection process of the SDG Champions for the 2023 edition. The Department has also contributed to the drafting of **Ireland's 2023 Voluntary National Review**, presented at the UN High Level Political Forum in July 2023, by publishing a dedicated Chapter in collaboration with the Department of Social Protection.

Moreover, we are committed to promoting SDG awareness internally. For example, the Department participated to the second Ireland's SDG Week 2023 by delivering an informative webinar for all its employees. In addition to that, all relevant news and updates on SDG are circulated internally through newsletters, and externally by posting via our social media channels.

I would like to thank you for taking the time to listen to these opening remarks and you look forward to addressing any questions you may have.