

Speaking Notes for the Tánaiste for
Presentation of the Department of Enterprise, Trade and
Employment's Further Revised Estimate 2020
To the Select Committee on Enterprise Trade and
Employment
18th November 2020

Cathaoirleach,

I am very pleased to present my Department's Further Revised Estimate for 2020 to the Committee. I want to express my appreciation to the Committee for taking our Revised Estimate this evening.

The Further Revised Estimate presented to you today seeks to incorporate to our Department's Vote

- the €1.969 million in funding arising from the transfer of certain functions to my Department

- the additional €450m in funding agreed in the Government's July Stimulus
- the additional €2million in funding this year agreed for the Tyndall Institute in the Budget

The Estimate also seeks

- the reallocation of monies between certain programmes to meet excesses on the Humanitarian Relief and Credit Guarantee Schemes, and
- the change in title of the Department's Vote

The €1.908 billion being sought effectively doubles the Department's 2019 Revised Estimates. It will also increase the allocation voted to my Department by the Dáil last June by over €450 million.

Capital Funding

The €1.551 billion in capital funding in the Estimate is almost €930 million greater than the capital allocation provided the original 2019 REV.

The vast majority of this increase is to enable the Department and our Agencies to continue to assist business in the current Covid pandemic and in the preparations for Brexit.

€550 million is being provided for the Restart Grant which has been of huge assistance to businesses in reconnecting to the market place.

An additional €10 million is being provided for EI's Seed & Venture Programme, €14 million in further monies for the Online Retail Programme [eg. 330 retailers approved to date], €12 million to EI's Hubs and Incubation Centres, €20 million for the Ready for Customs Grant scheme which is particularly important given the imminent reality of Brexit.

The €25 million being provided to the innovative joint IDA/EI COVID-19 Life Sciences Products Scheme will not only facilitate the research and development of COVID-19 products but also deliver additional direct employment and other benefits for the economy.

The Local Enterprise Offices work closely with local businesses, which have been particularly impacted by the Covid and Brexit crises.

The additional funding being allocated to the LEOs has allowed them to continue to meet the increasing demand for their services including through the Business Continuity Voucher Scheme, the Trading Online Voucher Scheme, and their tailored mentoring programmes.

The Estimate is also providing almost €100m in “access to finance supports” including over €41 million to Microfinance Ireland and €56.96 million for the SBCI’s Working Capital and Future Growth Loans Schemes. These government backed loans demonstrate the Government’s strong commitment to ensure that businesses, particularly small business, can readily access the necessary working capital and finance facilities to enable them to come through this difficult period.

The Estimate also includes the additional €2m in capital funding for the Tyndall Institute as announced in the Budget and increases my Department's total funding to the Institute this year to €9 million.

Current Funding

The Current expenditure allocation of €356.87 million in the Revised Estimate represents an increase of €27.76million on the Department's 2019 Rev allocation.

€10 million of this is being provided to the IDA to enable it to ramp up its promotional and awareness activity. €6million is being provided to Enterprise Ireland, the Local Enterprise Offices and to the Department to ensure we have the necessary staffing itself in place to administer all the new schemes and interventions.

Almost €2million of the current expenditure allocation in the Revised Estimate reflects funding related to the transfer of functions from the Departments of Foreign Affairs and Social Protection. This includes some €490k for the Low Pay Commission.

Finally, the Revised Estimate recalibrates expected savings on the Department's Interreg Programme to meet additional funding required in some other areas.

€250k is being provided to the Humanitarian Relief Scheme Programme to fund claims under the Scheme arising from severe weather events.

An additional €500k is required by the Credit Guarantee Scheme to meet additional costs arising from the entry of a number of additional lenders into the Scheme.

Cathaoirleach,

The Further Revised Estimate being presented to-day is essential to ensure that the Department has the necessary funding to enable it and its Agencies to continue to provide the funding, loans and advice vital to businesses trying to overcome the twin challenges of Covid and Brexit.

I hope that the information that I have provided to you this evening and the briefing provided by my officials demonstrates how this funding is being spent.

Thank you, Cathaoirleach and I look forward to answering any questions Members may have.