

Údarás na Gaeltachta End of Year Statement

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Statement issued by Liam Ó Cuinneagáin, Chairman and Seán Ó Labhraí, Acting Chief Executive, Údarás na Gaeltachta

- **Employment levels in Údarás client companies remain stable at 7,000 full-time jobs**
- **734 new jobs created in 2011**
- **Slowdown in rate of job losses**
- **900 participants on social employment schemes**

Employment in the Gaeltacht

A total of 734 new jobs were created last year in Údarás na Gaeltachta client companies. Total employment in Údarás client companies stood at 7,500 at 2011 year end (7,000 full-time and 500 part-time jobs). When job losses are taken into consideration, there was a net loss of 104 jobs overall.

Over 700 new jobs created

At total of 734 new jobs were created in Gaeltacht enterprises in 2011, a similar level to that of the previous year. Companies involved in exporting, including businesses in the medical devices, audio-visual and digital media, financial services, and specialist manufacturing sectors, increased their employment numbers during the year, with some companies announcing expansion plans and further investment in R&D.

Slowdown in the rate of job losses

A most encouraging trend is the slowdown in job losses. The number of jobs lost over the past year is at a significantly lower level than that experienced over the last number of years, with a 40% decrease in the number of jobs lost in 2011 compared to 2009. This is evidence that Údarás' strategy, which over the past three years focussed on supporting existing businesses, is having a positive effect on job maintenance. The job reductions occurred mostly due to companies shedding a small number of staff in order to rationalise and reduce costs. Companies trading in the domestic market were those mainly affected.

New projects with total investment of €21m approved

Notwithstanding the challenging economic business environment and reduced funding available from the exchequer, Údarás na Gaeltachta approved projects during the year which will involve an overall projected investment of €21m in Gaeltacht companies and are expected to create some 400 jobs when up and running. We expect, with the resources available to us, that new projects creating circa 700 new jobs will be approved during the year ahead. Jobs are lost annually as a normal part of the business lifecycle as sectoral trends change, enterprises restructure and companies streamline to improve their competitiveness and it is therefore critical that new jobs are supported to ensure employment levels are maintained and provide a basis for growth into the future.

Economic Impact of Gaeltacht companies

Research undertaken in 2011 by Forfás shows that total sales in Údarás client companies was in the region of €750m in the previous year, of which €399m of this was in export sales, an increase of 13% on the previous year. Over 40% of Údarás client companies invested in R&D, amounting to €20m in expenditure.¹

Social Employment Schemes

Údarás na Gaeltachta manages and administers a number of social employment schemes in the Gaeltacht. These include the *Community Employment Scheme*, the *Rural Social Scheme*, *Tús* and the *Jobs Initiative*, which are funded by the Department of Social Protection. In 2011, these social employment schemes employed over 900 participants, 47 supervisors in 46 schemes throughout the Gaeltacht, and provided €15m in income and materials to the local economy. In addition to providing work experience and training for the participants, these schemes play an important role in providing services and facilitating community development throughout the Gaeltacht.

Community development and Language-based activities

¹ The Annual Business Survey of Economic Impact 2010 (ABSEI) was carried out in 2011 by Forfás for all development agencies, and surveyed companies that include approximately 75% of Údarás supported employment.

During 2011, Údarás continued to support community and Irish language-based activities in the Gaeltacht. Support was provided towards the operation of 82 Irish language medium preschools and crèche facilities, with 950 attendees and assistance was provided towards 62 youth clubs and drop in centres which have over 2,000 members. Support was also made available to 34 language learning centres where over 600 people attended Irish language classes/courses during the year.

Údarás na Gaeltachta has an active role on the working groups involved in the implementation of the 20 Year Strategy for the Irish Language 2010-2030. The objective of these working groups is to examine the functions which Údarás na Gaeltachta, the Department of Arts, Heritage and the Gaeltacht and Foras na Gaeilge will have, taking into account their current functions and activities in addition to the specific measures and activities outlined in the Strategy, and to make recommendations regarding the structure, offices, resources and staff numbers required for the implementation of those functions.

Enterprise Strategy for 2012

During 2012, Údarás will focus its enterprise strategy on supporting its existing client base, seeking further investment from new and current clients, and supporting natural resource-based enterprises such as aquaculture, tourism, forestry, etc. Údarás will concentrate on replacing the employment lost in certain areas over the last number of years and begin to grow overall employment numbers in the Gaeltacht to previous levels.

Ends

Further information: Siubhán Nic Grianna, Communications & Marketing Manager,
Údarás na Gaeltachta – 091 503219 / 087 2217757 / sng@udaras.ie