

Údarás na Gaeltachta End of Year Statement 2013

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**Statement issued by Anna Ní Ghallachair, Chairperson and Steve Ó Cúláin,
Chief Executive, Údarás na Gaeltachta**

- **Irish Language Planning Process is initiated**
- **Over 600 new jobs created in 2013**
- **New projects approved which are expected to create an additional 560 new jobs**
- **Rate of job losses in Údarás client companies at record low**
- **Export sales in client companies continue to increase**
- **Over 1,000 participants on social employment training schemes**

Review of 2013

Údarás na Gaeltachta client companies created 616 new full-time jobs last year. At year end, total employment in Údarás client companies stood at 7,650, of which 6,970 are full-time jobs and 680 are part-time jobs. When job losses are taken into consideration, there was a net increase of 96 jobs overall.

The language planning process in the Gaeltacht was formally launched at the end of 2013 when notices in respect of three Gaeltacht Language Planning Areas in counties Donegal, Galway and Kerry were announced. These notices were the result of three years' work, which aims to give legislative effect to a new language planning process, and represents significant development in the history and future of the Irish language in the Gaeltacht. The notices effectively constitute the first steps in the implementation of the Gaeltacht Act 2012, which places particular emphasis on integrated language planning at community level. During the past year, An tÚdarás worked closely with the Department of Arts, Heritage and the Gaeltacht and with Foras na Gaeilge on the development of an administrative framework and procedures that form part of the planning process.

Employment in the Gaeltacht

In recent years, Údarás na Gaeltachta has focused on developing a key number of sectors which include natural and marine resources, life sciences, ICT, food, niche manufacturing,

engineering and other high-value, internationally tradable commodities. Gaeltacht companies in these sectors experienced growth during the year, both in terms of sales and in employment creation. Significantly, 2013 also saw a record low in the of rate job losses in the Gaeltacht. The steady fall in the rate of job losses over the past number of years is a positive indication of how Gaeltacht companies have stabilised their employment base and can now look to growing their enterprise as the economy begins to recover.

The export sector has been the key driver in restoring employment and growth in the country and last year saw export sales increase to €464 million in Údarás-supported companies. The increasing focus by these companies on export markets is evidenced by the finding that since 2008, the ratio of exports to overall sales across the Údarás client-base has increased year-on-year from 45% to 59% in 2012.

560 new jobs approved for the Gaeltacht during 2013

Last year, Údarás na Gaeltachta approved projects which are expected to create a further 560 new jobs and lead to an overall projected investment of €44 million in Gaeltacht companies. Over half of these jobs will be created in new start-up enterprises, with the remainder generated by existing client-companies as they further expand their businesses. These jobs are expected to come on stream throughout 2014 and in subsequent years.

Significant Economic Impact of Údarás client companies on Irish Economy

Research carried out by Indecon International Economic Consultants in 2013¹ indicates that Údarás client companies continue to make a significant contribution to Ireland's economy, with the overall value to the Irish economy estimated to be in the region of €1.5 billion. Analysis shows that these Gaeltacht companies had sales to the value of €787 million. These companies contribute over €409 million in direct expenditure, and provide in excess of €358 million to the Irish economy in GDP. Gaeltacht companies also contributed an estimated €71 million in tax payments to the Irish Exchequer in the form of corporation and income taxes arising from their activities in 2012, and their total payroll expenditure amounted to almost €200 million.

¹ The report by Indecon International Economic Consultants bases its analysis on figures from the most recent ABSEI (Annual Business Survey of Economic Impact Report). The ABSEI report was carried out in 2013 by Forfás on all development agencies.

Fostering Gaeltacht Enterprise and Job Creation

In order to harness employment creation opportunities, an tÚdarás requires a business infrastructure appropriate to the needs of existing clients and emerging start-ups. One of the main impediments to further enterprise stimulation and job creation in the Gaeltacht is the lack of adequate business infrastructure. In spite of the relative prosperity experienced up to 2006, there are few examples of private sector investment in modern industrial/enterprise infrastructure and associated facilities in rural areas, outside of key centres of population, and the Gaeltacht in particular.

Financial constraints in the last number of years meant that Údarás has not been in a position to make sufficient investment in its enterprise property portfolio. A considerable proportion of the Authority's property portfolio was built in the 70's and 80's to cater for traditional manufacturing industry. As the traditional manufacturing sector continues to decline, these large industrial-type properties now require substantial upgrading and reconfiguration to meet the standards required by today's modern enterprises.

Experience has shown us that enterprise investment is easier to attract where contemporary, state-of-the-art, ready-to-occupy business premises are available. On this basis, a limited number of the Authority's industrial-type properties have been redeveloped in recent years. These facilities are now close to full capacity. This positive uptake underpins the need for further capital investment to help place the Gaeltacht in a position to attract further inward investment. The redevelopment and upgrade of the Authority's business property portfolio is key to the success of its enterprise development and employment creation strategy, and an tÚdarás will be seeking ways to fund the redevelopment of its property portfolio, i.e sale of assets.

The absence of high speed broadband at a competitive cost places many Gaeltacht companies at a competitive disadvantage and efforts are continuing to address this deficiency.

Social Employment Schemes continue to provide important training and work experience for the unemployed

Údarás na Gaeltachta manages and administers the *Community Employment Scheme*, the *Rural Social Scheme*, *Tús* and the *Jobs Initiative*. These social employment schemes, which are funded by the Department of Social Protection, play an important role in providing work

experience and training for Gaeltacht communities. In 2013, over 1,000 participants and 49 supervisors were involved in 49 schemes throughout the Gaeltacht. During the year, over 300 new participants were placed on these schemes and over 260 participants completed and exited their programme. It is estimated that 30% of those that exited the programmes are now in employment. These social employment schemes are central to community development and language maintenance programmes and activities in the Gaeltacht.

Irish Language Activities

During 2013, work on the initial measures for the implementation of the Gaeltacht Act 2012 continued. 26 Gaeltacht Language Planning Areas were agreed and were defined by electoral division. Administrative procedures, used to select the lead organisations responsible for preparing the language plans in the Language Planning Areas, were developed. The purpose of these language plans is to increase usage of the Irish language in the areas to which they apply, in the community and family spheres, and in the education, social, business and public spheres.

In December 2013, the Minister of State at the Department of Arts, Heritage and the Gaeltacht, Donnchadh Mac Fhionnlaoidh, T.D., issued the first notices regarding three Gaeltacht Language Planning Areas. The language planning process has now begun and an tÚdarás has been tasked with the selection of the lead organisations whose responsibility it will be to prepare and implement the language plans in the various areas. An tÚdarás is presently seeking applications from organisations that are interested in participating in the language planning process in the areas that have been announced. Another ten Language Planning Areas will be announced during 2014 and applications will be sought from organisations in those areas in due course.

Language planning is complex, and an tÚdarás will work closely with the Gaeltacht communities and with other stakeholders to develop effective language plans that seek to support sustainable Irish language communities within the Gaeltacht. The Gaeltacht community recognises that the Irish language is being constantly eroded as a family and community language within the traditionally Irish-speaking area, and that the language is at a crisis point in many areas. The language planning process must be undertaken with the cooperation and the participation of the community, with the cooperation of the voluntary

sector, the public sector and the private sector, all working together to support the promotion and usage of the Irish language in the Gaeltacht.

Focus for 2014

In 2014, Údarás will continue to fund a range of enterprise development and employment creation initiatives, with a particular focus on the aquaculture, fish processing, life sciences, food, tourism and creative enterprises (media, arts, language-based/culture-based) sectors. A range of community and local development programmes will be supported, which have the objective of up-skilling and capacity building at community level in a range of enterprise and language planning initiatives.

During the year we will continue to pursue a strategy of attaining greater resources and access to funding in order to put in place the necessary network of services, business infrastructure and facilities that will generate a sustainable recovery in the Gaeltacht.

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