

## **Údarás na Gaeltachta: End of Year Statement 2014**

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

- **737 new jobs created, the largest increase in new jobs in 5 years**
- **7,682 jobs in Údarás client companies at year end**
- **New projects expected to create an additional 519 new jobs, and €42m investment**
- **6% increase in sales and 6% increase in exports in client companies**
- **Nine organisations now preparing language plans for Language Planning Areas**

### **Review of 2014**

Údarás na Gaeltachta client companies created 737 new full-time equivalent jobs in 2014, the highest increase in jobs created since 2008. At year end, total employment in Údarás client companies stood at 7,682, of which 7,053 were full-time jobs and 629 were part-time jobs. When full-time job losses are taken into consideration, there was a net increase of 84 jobs overall.

During 2014, considerable progress was made in the language planning process. By year end, nine lead organisations were selected to begin preparing language plans for the Language Planning Areas which were announced during the year. The Department of Arts, Heritage and the Gaeltacht also announced a list of towns which may be recognised as Gaeltacht Service Towns under the Gaeltacht Act 2012, focussing initially on Galway City, Letterkenny and Daingean Uí Chúis.

### **Employment in the Gaeltacht**

The increase in the number of jobs created during the year offers grounds for optimism. Employment figures show that jobs increased in a number of sectors, particularly in food

and drink, medical devices, fish farming and specialist manufacturing. Notably, employment increased in companies which saw growth in export sales.

During the course of the year, 28 new start-up enterprises were established and over 100 people were employed in those businesses by year end. Also, we are encouraged by Radox Laboratories' announcement in October that it plans to make a substantial investment of €25 million in its facility in An Clochán Liath in Co. Donegal and increase its employee numbers from 66 to 540 by 2020.

Steve Ó Cúláin, CEO of an tÚdarás, said “We are delighted with the growth in the number of jobs created last year and that an tÚdarás succeeded in achieving the targets set out by Government in relation to job creation and approvals. We must continue to build on that foundation and attract new projects and investments to the Gaeltacht.”

Job losses occurred in some companies as they continue to restructure and refocus their business models as the market demands. The Gaoth Dobhair area in Donegal was particularly affected by job losses. Largo Foods ceased production in its facility on the Gaoth Dobhair Business Park, Nuance transferred its business to London, and SIOEN reduced the number of its employees during the year. This amounted to a total of 164 job losses in the business park, and although job losses occur annually, a significant loss in one rural area such as this has an adverse effect on that entire community.

Referring to the job losses, Steve Ó Cúláin, CEO, said, “We are cognisant of the fact that Gaoth Dobhair has been significantly impacted, and an tÚdarás is making every effort to attract alternative investment and employment opportunities to the area. Needless to say, infrastructural deficits, the provision of high speed broadband at a competitive price, and the lack of investment in suitable high-quality business premises all create challenges when attracting new enterprises to rural areas.”

He added, “We are encouraged by the number of new developments and projects in the pipeline and we welcome the increased focus that the Government has placed on policies relating to regional enterprise development and employment creation. An tÚdarás will be

working with IDA Ireland and Enterprise Ireland in this regard, to identify and source additional resources required to attract new projects and jobs to the Gaeltacht.”

### **Over 500 new jobs approved for the Gaeltacht during 2014**

Last year, Údarás na Gaeltachta approved projects which are expected to create a further 519 new jobs and involve a projected investment of €42 million as the projects come on-stream over the next few years. Developments were seen in companies operating in the food and drink, specialist manufacturing and service sectors, and an tÚdarás is looking forward to supporting Radox Teo in its plans to further develop its life-sciences and engineering production facility in An Clochán Liath.

### **Business Trends and the Economic Impact of Údarás client companies**

Sales in Údarás client companies increased by 6% on the previous year. Research carried out by *Insight Statistical Consultants* in 2014<sup>1</sup> indicates that Gaeltacht companies had sales to the value of €826 million. Exports in client companies grew by 6% to €493 million, with an additional increase of 4% expected in 2015. Companies operating in the food and drink, modern manufacturing, medical devices and chemical sectors in particular, saw growth in exports, while sales in companies operating in the traditional manufacturing sector continued to decline. Údarás client companies contributed €417 million in direct expenditure to the Irish economy, through payroll, services and the purchasing of raw materials.

### **Social Employment Schemes**

Údarás na Gaeltachta continued to manage and administer social employment schemes.<sup>2</sup> At 2014 year end, 1,024 participants and 50 supervisors were involved in 47 schemes throughout the Gaeltacht. These schemes have an important dual role in providing work experience and training for the unemployed in the Gaeltacht community and in facilitating

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<sup>1</sup> The report by Insight Statistical 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 2014 by The Department of Jobs, Enterprise and Innovation, on all development agencies.

<sup>2</sup> Údarás na Gaeltachta manages and administers the *Community Employment Scheme*, the *Rural Social Scheme*, *Tús* and the *Jobs Initiative*, which are funded by the Department of Social Protection.

very significant input to community development projects. These schemes are estimated to be worth over €15 million annually to the Gaeltacht economy.

### **Irish Language Planning Activities**

Work on developing the language planning process continued throughout the year. Nine Language Planning Areas were announced by Government and nine lead organisations were selected to prepare language plans for those areas. The lead organisations selected will be working in close cooperation with an tÚdarás and with community groups whose activities have an influence in preserving and strengthening the Irish language in the Gaeltacht. Best practice in language planning requires an integrated approach: the cooperation and participation of the community, the State and the private and voluntary sectors are vital to the process of strengthening the language in Gaeltacht communities.

A number of towns which may be recognised as Gaeltacht Service Towns were announced by the Department of Arts, Heritage and the Gaeltacht in December 2014. Údarás na Gaeltachta, or Foras na Gaeilge, as appropriate, will be working with the selected organisations to prepare and implement language plans, depending on whether the town is located in a Gaeltacht area or outside of the Gaeltacht. The process will commence with Galway City, Letterkenny and Daingean Uí Chúis.

Anna Ní Ghallachair, Chairperson of an tÚdarás, said that substantial progress was made during 2014 in relation to the language planning process: “Following a period of preparation to establish the administrative framework, the selected lead organisations have now begun preparing language plans for their respective Language Planning Areas”

She also referred to the challenges involved in this work: “Language planning is a complex process. Preventing further erosion of the Irish language in the Gaeltacht and increasing its daily usage amongst speakers is a challenge both for the State and for Údarás na Gaeltachta. The issue of language conservation in the Gaeltacht is not solely the responsibility of one government department (The Departments of Arts, Heritage and the Gaeltacht) and an tÚdarás. The language planning process is embedded in various aspects of economic and social development, including the work of other Government Departments, in particular, the

Department of Education and Skills, the Department of Health and the Department of the Environment, Community and Local Government. There is a need for an integrated and determined partnership approach, involving cooperation between local communities and the relevant State agencies, to ensure that the necessary supports are provided in order to increase the number of daily Irish language speakers in the Gaeltacht and promote the usage of Irish as a community language, as is set out in legislation.”

### **Focus for 2015**

In 2015, Údarás na Gaeltachta will continue to pursue its enterprise development strategy with particular emphasis on supporting micro-enterprise and start-ups. The renewed commitment by Government to optimise the regional development potential of the country as a whole is very welcome, and we will continue in our efforts, in co-operation with our sister-agencies, to attract mobile investment and much needed jobs to the Gaeltacht.

International research indicates that the availability of appropriate property solutions is a key element in the decision-making process undertaken by investors when deciding on suitable business location. We will continue our programme of the capital refurbishment and reconfiguration of our property portfolio in 2015, with the aim of providing a mix of high end property solutions to new and existing clients across all Gaeltacht areas during all stages of business development, from post incubation to expansion mode, and across all sectors.

The *Wild Atlantic Way*, while still in its infancy, has proved to be one of the most successful tourism initiatives of recent times. With over one quarter of the 2,500 km route passing through the Gaeltacht, an tÚdarás’ focus in 2015 and beyond will be to support our clients in taking full advantage of the promotion of the *Wild Atlantic Way* to deliver innovative and attractive products that will highlight the attractiveness and uniqueness of the Gaeltacht. An tÚdarás looks forward to progressing the development of the Cultúrlann Chonamara, a visitor centre at *Teach an Phiarsaigh* in Ros Muc, Connemara. The centre will not only commemorate one of the leaders of the 1916 Easter Rising but will also be an iconic visitor attraction of international appeal, and will be one of the legacy projects advanced as part of a network of flagship projects along the *Wild Atlantic Way* which will be of benefit both to the local community and to the region as a whole.

The gradual roll out of the language planning process will continue during 2015 in respect of the remaining Language Planning Areas and will commence in the initial Gaeltacht Service Towns identified.

## **Activity by Gaeltacht Region**

### **The Donegal Gaeltacht**

A total of 280 new jobs were created in the Donegal Gaeltacht in 2014, an increase of 30% on the previous year and the largest number of jobs created since 2008. New jobs were created in companies throughout the Donegal Gaeltacht such as Arán Ard Teoranta, Ard a Rátha; Randox Teo, An Clochán Liath; R.A. Pacáistí Teo and Euroflex Teo, Gaoth Dobhair Business Park; Comhlacht Iascaireachta Fánaid Teo, Fánaid; Snáth Dhún na nGall Teo and Oileán Glas Teo, Cill Charthaigh. There were 10 new start-up enterprises during the year with over 20 people were employed in those companies by year end.

Unfortunately, jobs were also lost during the year and when these losses are taken into account, the overall number of jobs remains at the same level as the previous year, with 1,942 full-time jobs in Údarás client companies in the Donegal Gaeltacht at year end.

Although a certain number of job losses can be expected each year as companies refocus and restructure their business model, a significant number of those jobs were lost in the Gaoth Dobhair Business Park last year. During 2014, Largo Foods closed its manufacturing facility in Gaoth Dobhair and transferred production to the companys' main plant in Ashbourne, County Meath. There were 110 full-time and 30 part-time employees employed by Largo Foods in Gaoth Dobhair. Furthermore, Nuance(Spinvox Teo) relocated its business to London resulting in the loss of 14 jobs and SIOEN (Gairméidí Caomhnaithe Dhún na nGall Teo) shed a further 10 jobs as it rationalised its operations. An tÚdarás recognises that this is a heavy blow to the area. Close to 50 of Largo's employees availed of the opportunity to

work in the company's production unit in Ashbourne and a number of former Largo employees have since found employment in other Údarás client-companies in the local area.

In an effort to address the high level of job losses in the Gaoth Dobhair Business Park, an tÚdarás established a working group with the aim of sourcing new enterprise projects to locate in Northwest Donegal, and creating new employment opportunities. The Enterprise Development Forum is due to report on its findings and recommendations at the beginning of March of this year.

An tÚdarás is encouraged by the announcement made by Radox Teo in October last year that it plans to make a significant investment of €25 million at its facility in An Clochán Liath and increase employment to 540 people by 2020. We are committed to working with Radox and supporting it in realising its vision for a world class research and manufacturing centre in its facility in An Clochán Liath. The spectrum of highly-skilled jobs that this investment will create will provide significant opportunities for the Gaeltacht labour-force now and in the future.

#### New Projects Approved

An tÚdarás approved a significant number of new projects for Donegal last year with an expected total investment of €6.5 million. These projects are expected to create 124 new jobs when fully operational.

#### Social Employment Schemes

A total of 327 people were employed in social employment schemes in the Donegal Gaeltacht at the end of the year. These schemes are managed and administered by Údarás na Gaeltachta and funded by the Department of Social Protection.

#### Language Planning

During the year, nine Language Planning Areas (LPAs) were announced for the Gaeltacht, three of which are located in the Donegal Gaeltacht. Applications were sought from organisations/community groups interested in preparing and implementing language plans in these areas. Three lead organisations were selected - Comharchumann Forbartha Ghaoth

Dobhair Teo. will operate in the LPA of *Gaoth Dobhair, Rann na Feirste, Anagaire and Loch an Iúir*; Pobal Eascarrach Teo., An tSean Bheairic Teo together with Coiste Pobail Ghort a' Choirce will operate as the lead organisation in *Cloich Chionnaola, Gort an Choirce, An Fál Carrach and Machaire Rabhartaigh* LPA; and Lár-Chomhairle Paróiste Ghleann Cholm Cille Teo a will act as the lead organisation for the LPA of *Dún na nGall Theas*. These lead organisations have a period of up to two years to prepare a language plan for their respective Language Planning Area.

### **The Mayo Gaeltacht**

A total of 64 new jobs were created in the Mayo Gaeltacht in 2014. There were 685 full-time equivalent jobs in Údarás-supported companies in the Mayo Gaeltacht at year end, a net loss of 43 new jobs on the previous year. Although there was a decrease of 107 jobs in the Mayo Gaeltacht, analysis of employment figures indicate that 70 of these jobs were transferred to areas outside the Gaeltacht due to the workplace requirements of one particular company.

It is expected that the formal language planning process will begin in the Mayo Gaeltacht in 2015 when the next group of Language Planning Areas are announced by the Department of Arts, Heritage and the Gaeltacht.

### **Social Employment Schemes**

A total of 211 people were employed in social employment schemes in the Mayo Gaeltacht at year end. These schemes are managed and administered by Údarás na Gaeltachta and funded by the Department of Social Protection.

### **The Galway Gaeltacht**

A total of 271 new jobs were created in the Galway Gaeltacht in 2014, the highest number since 2009. When job losses are taken into account, there was a net gain of 94 new jobs on the previous year. There were 2,835 full-time equivalent jobs in Údarás-supported companies in the Galway Gaeltacht at year end.

Companies in the medical devices, food and drink, specialist manufacturing and services sectors saw growth in employment during the year. Companies operating in the traditional manufacturing and the audio-visual sectors shed jobs throughout the year. Employment numbers in the audio-visual industry fluctuate depending on commissioning periods and production schedules, and we expect to see an increase in job numbers in this industry again in 2015 when a number of projects, currently in the planning stages, get underway.

### Arramara Teo

An tÚdarás announced during the year that it sold its shares in the seaweed processing company Arramara Teoranta to the international company, Acadian Seaplants Limited. Acadian Seaplants announced that it is to make an initial investment of €2 million in Arramara Teo and that further investment will follow in areas of research, development of value-added products, market development, processing technologies and capital expenditure. An tÚdarás will continue to work in partnership with Acadian Seaplants Limited during 2015 to develop the seaweed industry for the benefit of the Gaeltacht community and other relevant stakeholders.

### New Projects Approved

A significant number of new projects were approved during the year for the Galway Gaeltacht area. These projects will generate a total investment of €22 million and are expected to create 182 new jobs when fully operational.

### Social Employment Schemes

A total of 368 people were employed in social employment schemes in the Galway Gaeltacht at year end. These schemes are managed and administered by Údarás na Gaeltachta and funded by the Department of Social Protection.

### Teach an Phiarsaigh / Pearse's Cottage

The Government approved funding for the development of the Cultúrlann Chonamara project at Pearse's Cottage under its capital stimulus package - 1916 Commemoration Fund. A total of €500,000 was made available in 2014 with a further €1.5million being committed for 2015-2016. An tÚdarás led the first phase of the development, in partnership with other

stakeholders, to progress the design and planning phase. An tÚdarás will continue to work with the other stakeholders, Fáilte Ireland included, to seek further funding to bring this project to completion.

### Language Planning

During the year, nine Language Planning Areas (LPAs) were announced for the Gaeltacht, three of which are located in the Galway Gaeltacht. Applications were sought from organisations/community groups interested in preparing and implementing language plans in these areas. Three lead organisations were selected - Fóram Chois Fharraige um Phleanáil Teanga will operate in the LPA of *Cois Fharraige*; Comharchumann Mhic Dara Teo will operate as the lead organisation in *An Cheathrú Rua* LPA; and Comhairle Ceantar na nOileán Teo. will act as the lead organisation in the LPA of *Ceantar na nOileán*. These lead organisations have a period of up to two years to prepare a language plan for their respective Language Planning Areas.

### **The Meath Gaeltacht**

A total of 27 new jobs were created in the Meath Gaeltacht last year, and when job losses are taken into account, there was a net gain of 19 jobs. There were 186 full-time equivalent jobs in Údarás-supported companies in the Meath Gaeltacht at year end.

Employment increased in Faughan Foods Ltd, Turmec Teo and MK Innealtóireacht Teo. A new start-up company, Clearplas LTD, began operating and currently employs four people and has plans to employ 19 people in total when fully operational. In addition, new projects were approved during the year which will generate an expected total investment of €2 million and create 40 new jobs when fully operational.

### **The Kerry Gaeltacht**

A total of 38 new jobs were created in the Kerry Gaeltacht in 2014. The majority of new jobs were created in companies involved in the services and specialist manufacturing sectors. When job losses are taken into account, there was a net loss of 12 jobs. There were 671 full-time equivalent jobs in Údarás-supported companies in the Kerry Gaeltacht at year end.

Encouragingly, a number of new projects were approved during the year. These projects are expected to create over 78 new jobs, with an expected total investment of over €5 million when fully operational.

#### Development of food production units

Refurbishment work was completed on two business units located in An Choill business park and funding was approved for the redevelopment of four additional units for food production activities. It is expected that there will be 12-15 people employed in food production businesses in An Choill business park once this redevelopment work is complete and such enterprises are up and running there.

#### Social Employment Schemes

There were 91 people employed in social employment schemes in the Kerry Gaeltacht at year end. These employment schemes are managed and administered by Údarás na Gaeltachta and funded by the Department of Social Protection.

#### Irish Language and Gaeltacht Development Centre

The development work on the Irish Language and Gaeltacht Development Centre in Baile an Fheirtéaraigh was completed during the year. Údarás na Gaeltachta, the Department of Arts, Heritage and the Gaeltacht and Comharchumann Forbartha Chorca Dhuibhne Teo are partners in the development of this project with a total investment of €3.4 million. The c. 1,400 square metres development includes new office and new facilities for Comharchumann Forbartha Chorca Dhuibhne Teo; a family language support centre comprising new pre-school facilities and services; training facility, and three Údarás na Gaeltachta enterprise units and will be officially opened in the Spring of this year.

#### Language Planning

During the year, nine Language Planning Areas (LPAs) were announced for the Gaeltacht, two of which are located in the Kerry Gaeltacht. Applications were sought from organisations/community groups interested in preparing and implementing language plans in these areas. Two lead organisations were selected - Comharchumann Forbartha Chorca Dhuibhne Teo was selected as the lead organisation for the *Ciarraí Thiar* LPA and

Comhchoiste Ghaeltachtaí Chiarraí Theas Teo will act as the lead organisation operating in the *Ciarraí Theas* LPA. These lead organisations have a period of up to two years to prepare a language plan for their respective Language Planning Areas.

### **The Cork Gaeltacht**

A total of 33 new jobs were created in the Cork Gaeltacht in 2014. When job losses are taken into account, there was a total net gain of 9 jobs. There were 586 full-time equivalent jobs in Údarás-supported companies in the Cork Gaeltacht at year end. Employment increased in companies involved in the specialist manufacturing and food and drink sectors and jobs were shed in companies involved in the traditional manufacturing and audio-visual sectors. Both Folláin Teo and Eurofoil Teo carried out significant capital expansion on their premises during the year, which will add to the development and employment opportunities in the area.

New projects involving an expected total investment of €1.66 million were approved during the year. These projects are expected to create over 17 new jobs when fully operational.

It is expected that the language planning process will begin in the Múscraí Gaeltacht in 2015 when the next group of Language Planning Areas are announced by the Department of Arts, Heritage and the Gaeltacht.

### **The Waterford Gaeltacht**

A total of 24 new jobs were created in the Waterford Gaeltacht in 2014, a net increase of 17 jobs. There were 148 full-time equivalent jobs in Údarás-supported companies in the Waterford Gaeltacht at year end. Employment increased in companies operating in the digital media sector in particular. New projects were approved during the year, which involve an anticipated total investment of almost €4 million, and these are expected to create 40 new jobs once fully operational.

### **Language Planning**

During the year, nine Language Planning Areas (LPAs) were announced for the Gaeltacht, one of which is located in the Waterford Gaeltacht. Applications were sought from

organisations/community groups interested in preparing and implementing a language plan in the area. Comhlucht Forbartha na nDéise Teo was chosen as the lead organisation to prepare a language plan for the *Na Déise* LPA.

**Ends**

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