

Recommendations for Action Plan for Jobs 2014

Contents

| Introduction | 2 |
|--|----|
| Supports for SMEs and the Retail Sector | 3 |
| Proposed Action 1: Introduce a Reduced VAT Rate on Housing Repair, Maintenance and Improvements (RMI) | 3 |
| Proposed Action 2: Halve the level of Capital Gains Tax for Entrepreneurs to 16.5% | 3 |
| Proposed Action 3: Encourage targeted rates reductions in town centres | 4 |
| Proposed Action 4: Apply an 'Ireland Rate of Return' in tendering decisions for public sector contracts. | 4 |
| Proposed Action 5: Improve access to working capital for SMEs | 5 |
| Proposed Action 6: Encourage car parking charges sensitive to the needs of town centre-base retailers | |
| Encouraging Entrepreneurs and Creating an Entrepreneurial Culture | 7 |
| Proposed Action 1: Coordinate and Rationalise Existing Support Systems | 7 |
| Proposed Action 2: Improve Availability of and Access to Information | 7 |
| Proposed Action 3: Improve the general Business Environment | 7 |
| Proposed Action 4: Learn from Others | 10 |
| Proposed Action 5: Promote a Culture of Entrepreneurship | 11 |
| Improving the Supply of Employees by Reforming the Apprentice System | 12 |
| Proposed Action 1: Engage with Employers | 12 |
| Proposed Action 2: Offer Apprenticeships in a wide range of Skills | 12 |
| Proposed Action 3: Guarantee the Quality of Apprenticeships | 12 |
| Proposed Action 4: Include Academic skills in off-the-job training | 12 |
| Proposed Action 5: Incentivise Companies to Get Involved | 12 |
| Proposed Action 6: Improve Access to Information | 13 |
| Proposed Action 7: Increase the Representation of Women in Apprenticeships | 13 |
| Proposed Action 8: Include Business Representatives on the Advisory Committee | 13 |
| Proposed Action 9: Reform the National Training Fund | 13 |
| Proposed Action 10: Coordinate the provision of Apprenticeships | 13 |

Introduction

Throughout 2013 Chambers Ireland has been deeply engaged with the issues of jobs and job creation. At the outset of the year, we identified it as one of our policy priorities and we have produced a number of documents and made submissions to a range of Government consultations on this issue.

It is our belief that this is a crucial time for the Irish economy. For the first time in many years we are seeing positive indicators. Retail figures are modestly strong and our members around the country are reporting somewhat improved trading conditions. Furthermore, recent positive news in relation to job creation and falls in unemployment could be interpreted as the first signs of recovery.

However, tough decisions remain to be taken. Government must build on these positive measures to ensure this potential becomes an actuality. At the heart of these measures must be job creation.

Chambers Ireland has consistently agreed with the Government's line that it is not their role to create jobs but it is essential that they create the right environment in which private companies can create jobs.

This submission is a reiteration of a wide range of suggestions Chambers Ireland has included in submissions to various Government departments throughout the year.

This is reflected in the structure of the submission, which includes three main sections:

- 1. Supports for SMEs and the Retail Sector
- 2. Encouraging Entrepreneurs and Creating an Entrepreneurial culture
- 3. Improving the Supply of Employees by Reforming the Apprentice System

As the largest business network in the country and due to the way in which that network is structured, Chambers Ireland is in a unique position to provide insights into the concerns of the Irish business community.

We are pleased to make this submission and are willing to engage further with the Department if required.

Supports for SMEs and the Retail Sector

Proposed Action 1: Introduce a Reduced VAT Rate on Housing Repair, Maintenance and Improvements (RMI)

We recommend a reduction of VAT, ideally to 5%, on all Repair, Maintenance and Improvement up to a value of €50,000 on residential properties

Theme

Assisting indigenous businesses to grow

Support employment at community and local level

Timeline for delivery

Budget 2014

Timeline for impact

Immediate

Decisions or resources required

Initiative could be revenue neutral as this would bring firms back into the legitimate economy.

Impact on job creation

Research conducted in the UK suggests such a cut could create 3,625 jobs in Scotland, a country broadly similar to Ireland in economic and demographic terms. Furthermore, it is estimated that this could result in a further 2,178 jobs through the multiplier effect.

Who has responsibility?

Department of Finance

Proposed Action 2: Halve the level of Capital Gains Tax for Entrepreneurs to 16.5%

Theme

Driving entrepreneurship and start-up companies

Assisting indigenous businesses to grow

Timeline for delivery

Budget 2014

Timeline for impact

Immediate

Decisions or resources required

Limited resources would be required as at present CGT only accounts for a small proportion of tax raised. It is well established that decreases in CGT rates actually lead to increases in the amount of revenue raised.

Impact on job creation

This initiative would help small businesses to grow into medium-sized enterprises and develop internationally

Who has responsibility?

Department of Finance

Proposed Action 3: Encourage targeted rates reductions in town centres.

This would allow many retailers sector to remain in business. In addition, we have concerns in this area related to the abolition of Town Councils and their integration into wider County Council jurisdictions. A recent guidance document issued by the Department of the Environment, has suggested that where there is a disparity between the rates in a Town and County Council area, they will be equalised over a period of between three and ten years. We call on the Government to safeguard existing jobs and facilitate job creation by promoting a slower transition to ensure retailers are not adversely affected.

Theme

Supporting employment at community and local level

Timeline for delivery

Alongside other Local Authority reform

Timeline for impact

Immediate

Decisions or resources required

Relevant Departments must provide a statutory framework that allows for such reductions.

Impact on job creation

Who has responsibility?

Departments of Environment and Finance

Proposed Action 4: Apply an 'Ireland Rate of Return' in tendering decisions for public sector contracts.

This would ensure that contracts awarded reflect the national interest rather than simply being awarded on a 'value for money' basis.

Theme

Assisting indigenous businesses to grow

Supporting employment at community and local level

Timeline for delivery

Timeline for impact

Decisions or resources required

Templates for tenders issued from the Department of Public Expenditure to all State bodies making purchasing decisions should build on Department of Finance Circular 10/10 and specifically include a requirement to quantify the macroeconomic return for Ireland of the contract and to use this in the determination of the winner. This would ensure that the benefits of contract awards are 'jobs and tax proofed'.

Impact on job creation

Who has responsibility?

Department of Public Expenditure and Reform

Proposed Action 5: Improve access to working capital for SMEs.

This can be done by promoting and improving access to the Employment and Investment Incentive Scheme (EIIS) and the Seed Capital Scheme (SCS)

Theme

Driving entrepreneurship and start-up companies

Assisting indigenous businesses to grow

Timeline for delivery

Budget 2014

Timeline for impact

Immediate

Decisions or resources required

Impact on job creation

Who has responsibility?

Department of Jobs, Enterprise and Innovation/Revenue Commissioners

Proposed Action 6: Encourage car parking charges sensitive to the needs of town centre-based retailers

A recently circulated Implementation Guidance Framework proposes that income generated by a municipal district from parking and leisure charges be retained by that district and linked to the total General Municipal Allocation (GMA) provided by County Councils to these municipalities. The document also notes that if the municipal district decides to reduce the charges for parking and leisure facilities, then the total amount of the GMA available to that district will also be reduced. It also notes that increases in the income from those charges would result in additional funding for the municipal district.

This guidance document incentivises municipalities to increase car parking charges in their locality. This will only harm the many businesses providing significant employment while struggling to compete with out-of-town centres where parking is currently free. Chambers Ireland believes that a proportion of the savings achieved from the integration of Town Councils should be earmarked to guarantee free parking provision at optimal periods - ideally the first two hours should be free - to encourage consumers to shop in town centres and support footfall.

Theme

Supporting employment at community and local level.

Timeline for delivery

Alongside other Local Authority reforms.

Timeline for impact

Ongoing

Decisions or resources required

Impact on job creation

Who has responsibility?

Department of the Environment, Community and Local Government/City and County Managers

Encouraging Entrepreneurs and Creating an Entrepreneurial Culture

Proposed Action 1: Coordinate and Rationalise Existing Support Systems

Currently, there are many groups and agencies offering support for entrepreneurs. Subsequently, the system can appear fragmented and divided, with different schemes offering contrasting objectives and deliverables.

The volume of agencies across the State offering support for entrepreneurs dilutes the clarity needed to foster entrepreneurship. This has a negative impact on job creation and innovation.

The Innovative Policy Research for Economic Growth (IPREG) report into Entrepreneurship and Innovation Policy in European Countries confirms that "initiatives by Government bodies and agencies involving growth policy are often duplicitous."¹ It further suggests that information and funding available at local, regional and national level does not serve the best interests of potential entrepreneurs.

Entrepreneurs are generally younger and less experienced in business. Therefore, they are less likely to be aware of the supports available.

Subsequently, a policy statement which promotes a rationalised and joined-up approach to support for entrepreneurs is encouraged.

Proposed Action 2: Improve Availability of and Access to Information

Research from around the Chamber Network suggests that start-ups and Small and Medium-Sized Enterprises (SMEs) find it challenging to navigate the information and funding available via different support agencies. There is a commonly held view that there is a lack of collaborative thinking in the entire area of supports for entrepreneurs.

We note that organisations such as Cork Innovates have attempted to ease this problem. Cork Innovates has become a valuable conduit which enables entrepreneurs to navigate the support landscape. The Cork Innovates website² offers a location that centralises relevant information for budding entrepreneurs.

Chambers of Commerce provide the ideal location for entrepreneurs to access such information.

Local Authorities and national Government are encouraged to collaborate with local Chambers to facilitate the dissemination of such information and provision of expert knowledge.

Chambers are in a unique position to understand the concerns of potential entrepreneurs in their area and can subsequently provide the information required in a timely and professional manner.

We are concerned that responsibility for such activity may be given to the new Local Enterprise Offices (LEOs), established to replace the existing City and County Enterprise Boards. There is a feeling that these organisations will not have the requisite knowledge and experience to provide the best service to entrepreneurs and start-up businesses.

Proposed Action 3: Improve the general Business Environment

We believe that individuals would be more likely to engage in entrepreneurial activity if the business environment for micro, small and medium-sized enterprises was improved.

Examples of how this business environment could be improved include:

¹ See page 8 of the report: <u>http://www.ipreg.org/Exe_summary_Ireland.pdf</u>

² For details see: <u>http://corkinnovates.com/</u>

• Take steps to tackle the unprecedented drop in demand in the Irish Economy.

Evidence from the ESRI shows a peak-to-trough drop in demand of 27%. Very few people will be encouraged to start new businesses while this situation persists. Government must do all that it can to increase consumer confidence and restore levels of demand. This, in part, will only be possible through improvements in the entire Eurozone.

• Ensure that public tendering and procurement is open to micro enterprises and SMEs. Chambers Ireland welcomes the establishment of the National Procurement Office and is committed to working with Chief Procurement Officer and others to ensure the best outcomes for business and best value for the State.

However, we are aware that not all public procurement goes through this office, with Local Authorities remaining responsible for their own tendering. There is a concern that Local Authorities may not have the requisite expertise to ensure the best outcomes for the business community.

We also believe that a fully centralised system is unlikely to result in the best outcomes for SMEs. It is essential that the type of process reflects the size of the job being tendered for and that the process is structured in such a way to ensure SMEs are not 'frozen out'.

Local Authorities, in particular, should be seen to take the lead on this issue and support local businesses. Goods and services such as stationary, office supplies, ICT consumables, energy products, janitor and cleaning products/services and motor vehicles are readily available from local suppliers.

• Ensure funding is available for micro enterprises and SMEs from a range of sources.

In April 2013 Chambers Ireland published 'An Alternative 10 Point Plan for Micro, Small and Medium-Sized Enterprises'.³ This document includes a range of suggestions which, if implemented, would do much to improve the business environment for start-ups and SMEs in Ireland. For example:

- Halve the level of Capital Gains Tax for entrepreneurs to 16.5%.
 - It is unfair to apply the same level of Capital Gains Tax to an entrepreneur, who is risking so much to establish an enterprise, as to an individual who, for example, is investing savings in shares in the stock market. A successful entrepreneur makes a significant contribution to the economy in terms of taxes on earnings, employment taxes, rates and economic activity; the other is passive and makes little economic contribution and should therefore pay CGT at a higher rate.
- Introduce an additional tax incentive policy to encourage private sector investment. While recognising the proactive approach of the Department of Jobs, Enterprise and Innovation in this area, for instance with the establishment of the MicroFinance Fund and the Credit Guarantee Scheme, we believe Government must explore a wide range of alternative funding sources, which could provide the funds necessary for businesses to begin trading.

• Improve the Employment and Investment Incentive Scheme (EIIS).

Chambers have a number of suggestions to improve the uptake and access to the EIIS with a view to ensuring that more firms from more sectors use this worthwhile initiative. We note that use of the scheme has fallen dramatically from a peak of €152m in 2007 to a current low of less than €20m. We have a number of suggestions that could ensure enhanced use of this scheme:

1. Consider introducing a 'Seed Employment and Investment Incentive Scheme' targeting investments in seed/early stage companies with an upfront income tax relief of 41% and greater facilitation of Business Angel investors.

³ For details see:

http://www.chambers.ie/assets/media/Images/Publications/White%20Papers/An%20Alternative%2010%20Po int%20Plan%20for%20Micro%20Enterprises%20-%20FINAL.pdf

- 2. Remove the high income earner restriction.
- 3. Reinstate the minimum holding period of five years.
- 4. Ensure that medium-sized companies in non-assisted areas automatically qualify under the new EU risk capital guidelines for this scheme.
- 5. Review the impact of broadening the scheme on higher risk and early stage internationally trading businesses.
- 6. Simplify accumulation rules.
- Government should drive the use of the Seed Capital Scheme.

While recognising that Government has sought to enhance usage of the Seed Capital Scheme, we believe that more could be done to grow the number of firms applying for it. These are as follows:

- 1. Scope and activities of SCS to continue mirror the EIIS.
- 2. Even greater promotion of the scheme.
- 3. Revenue Commissioners should provide outline approval for SCS claims to facilitate the securing of funding and investment from other sources.
- 4. Revenue should commit to processing income tax refunds within one month to aid start-up firms with cash flow.
- 5. We also believe that the Government should consider options for making the scheme more attractive to the self-employed.
- Encourage SMEs to enter export markets early.

In this context, the most pertinent market for SMEs that are new to exporting is the United Kingdom; however, most SMEs will never qualify for support from Enterprise Ireland using traditional measures. Therefore, qualification criteria need to be broadened significantly to enable these firms to begin exporting.

We also call on Government to introduce a one stop website for new exporters. Aspiring entrepreneurs would benefit from a one-stop website to provide information on the export or import process. At present, an Irish SME needs to trawl through the websites of a number of different agencies and Departments, with no single source to access information on the numerous requirements involved in international trade. We would highlight the UKTI website as an example of best practice in this area.⁴

Several Scandinavian countries have succeeded in this area by producing "born-global" companies, ready to export in the early years of their development.⁵ This, combined with developed attitudes towards productivity and innovation, has resulted in an impressive number of globally competitive companies

• Ensure networks of facilitation and infrastructure provide the best possible environment in which to do business.

Small Office/Home Office (SOHO) businesses must be given every opportunity to succeed by having access to ePayment and eFulfillment. Therefore, the Government's ambitious plans for broadband connectivity must be realised. Businesses must have access to top quality phone, broadband and postal services.

⁴ http://www.ukti.gov.uk/home.html?guid=none

⁵ For details see: <u>http://www.economist.com/news/special-report/21570837-nordic-companies-have-coped-well-globalisation-need-new-blood-global-niche</u>

Proposed Action 4: Learn from Others

One of the key functions performed by the network of Chambers of Commerce throughout Ireland is the provision of space and opportunities for networking. Chambers have a proven track record in this area and their experience can be leveraged by Government to provide opportunities for all potential entrepreneurs.

Examples of the excellent work carried out by Chambers of Commerce in this area include:

- Limerick Chamber's Referral Networks,⁶ which is an exclusive forum for members, allowing for growth through cooperation and partnership;
- Dublin Chamber's Business Owners Network. Dublin Chamber also offers advice on more successful networking;⁷
- Ballyhaunis Chamber's Business After Hours events and Business Information Seminars;⁸
- Kilkenny Chamber's programme of events which aims to "support all members of the Kilkenny business community including start-ups;"⁹ and
- Cork Innovates which was established by Cork Chamber and continues to actively support the creation of new sustainable jobs by connecting Cork's entrepreneurial and business community.¹⁰

These are only a few of the many excellent events and schemes developed by Chambers across Ireland. Government, at a local and national level, can work more closely with these Chambers to ensure entrepreneurs have access to the people and information they need as they are taking their first steps in business.

We call on the Government to recognise the work done by Chambers of Commerce in any policy statement and provide support and funding to allow them to continue this work.

We note that the Oireachtas Joint Committee on Jobs, Enterprise and Innovation recently produced a report calling for a new national State mentoring group to support new and existing businesses.

This report states:

"For both start-up and existing businesses looking to scale, mentors play a critical role in supporting the management teams in successfully driving the business forward. Mentors perform a range of roles from a general role across all areas of the business to a specific-focus role such as in the sales and marketing area. Mentors are typically drawn from a variety of backgrounds including entrepreneurial, general business/management experience, technical and sectoral specialty.

In the case of start-ups, mentors play a particularly crucial role in supporting a fledgling business to get off the ground and into a viable position through supporting what are usually first-time entrepreneurs."¹¹

This is another area where Government can collaborate with Chambers of Commerce, who have accumulated considerable experience and expertise in this area over many years.

⁶ <u>http://www.limerickchamber.ie/events/referral-network/</u>

⁷ <u>http://www.dubchamber.ie/events/networking-tips</u>

⁸ <u>http://www.ballyhaunischamber.ie/node/38</u>

⁹ <u>http://www.kilkennychamber.ie/Events.aspx</u>

¹⁰ http://corkinnovates.com/what-we-do/

¹¹ See pg 8: <u>http://www.oireachtas.ie/parliament/media/committees/jobsenterpriseandinnovation/State-Mentoring-Services-Report-Feb-2013.pdf</u>

Proposed Action 5: Promote a Culture of Entrepreneurship

It is important that Ireland develops a business culture which is sympathetic to the needs and celebrates the success of entrepreneurs.

Consultation with the Chamber Network suggests that entrepreneurs, along with SMEs, can face greater challenges than established businesses. Due to the fact that many entrepreneurs are new to the processes involved in starting a business, education and support must be provided at each step of the way, in an accessible manner. This is particularly important to those not previously familiar with the entrepreneurial environment.

We also recognise the potential for universities and other third-level education providers to promote, encourage and develop entrepreneurship in Ireland. We would argue that there is a degree of fragmentation among these projects which leads to uncertainty among potential entrepreneurs.

A national policy statement should ensure that provision is coordinated and reflects best practice in all institutions.

Chambers Ireland recognises that certain social groups are underrepresented among entrepreneurs. The IPREG report states that, "Diversity in entrepreneurship and innovative entrepreneurship is essential for uncovering dormant activity."¹²

We note that while 51% of the Irish population is female, the ration of male to female entrepreneurs is 2.5:1.

We encourage the Government to promote the European Network of Mentors for Women Entrepreneurs.¹³ The programme in Ireland, Mentoring for Female Entrepreneurs,¹⁴ is coordinated through the Enterprise Europe Network, whose offices are located in Chambers of Commerce in Galway, Dublin, Cork, Waterford and Sligo. We would welcome any Government initiative to extend this programme to other areas and increase the number of female entrepreneurs in the State.

Young people are also underrepresented among entrepreneurs. **Chambers Ireland supports the establishment of a Youth Entrepreneurship Fund,** initially proposed by Celbridge Youth Council and supported by both Fine Gael and the Labour Party. Given the rate of unemployment among young people in Ireland, encouraging and providing them with the necessary education and financial support can make an important contribution to reducing this rate.

The GEM report highlights education as one of the main constraints to entrepreneurial activity in Ireland.¹⁵ Their research shows that there is little focus on entrepreneurship in the education system and a shortage of teachers with the knowledge and experience to teach it.

Chambers Ireland calls for the policy statement to encourage a focused and coordinated approach to teaching entrepreneurship through secondary and third-level education.

¹² Op-cit, pg 8

¹³ <u>http://ec.europa.eu/enterprise/policies/sme/promoting-entrepreneurship/women/index_en.htm</u>

¹⁴ http://www.mentoringforfemaleentrepreneurs.com/index.php

¹⁵ Op-cit, page 36

Improving the Supply of Employees by Reforming the Apprentice System

The Government is in a position to reform the entire system of Vocational and Training in Ireland. Many positive moves have been made in this area; however, we remain concerned that the overall approach does not meet the requirements of the business community. In particular, we believe the system of apprenticeships in Ireland could be reformed in a way that guarantees a supply of highly skilled and well trained employees in areas most needed by employers.

Proposed Action 1: Engage with Employers

Employers should be involved in every stage of the apprenticeship system: from designing awards and setting standards, to delivery of training and evaluating the skills acquired.

Proposed Action 2: Offer Apprenticeships in a wide range of Skills

Apprenticeships should be offered in a wider range of skills/crafts. This should be informed and shaped by regular and frequent reviews. The current and future needs of employers and industry should always be a central concern of these reviews.

Proposed Action 3: Guarantee the Quality of Apprenticeships

Government must ensure that the quality of apprenticeships is such that they do not lag behind academic qualifications in terms of how they are perceived by learners and employers.

This will involve guaranteeing that there are recognised industry standards at the heart of every apprenticeship. All apprentices should complete their training with a level of competence relevant and meaningful for their employers throughout their careers.

Proposed Action 4: Include Academic skills in off-the-job training

The off-the-job element of apprenticeships should be less focused on one particular job or vocation. Recognising that many individuals who apply for apprenticeships may be non-traditional learners or have under-performed in traditional schooling, they should be given the opportunity to refine and enhance their competence in Mathematics, English, ICT and other skills, valued by employers, which are useful in a wide range of jobs.

This is particularly relevant given the context of a changing and increasingly dynamic labour market. It is essential to recognise that the specific skills required in today's economy may be redundant in the near future. Employees must be prepared to adapt. They must be given the skills that enable them to be flexible.

Furthermore, given the importance of self-employed workers in the Irish economy, there is a real need for apprentices to receive training in starting their own business.

Proposed Action 5: Incentivise Companies to Get Involved

Firms should be incentivised to take part in the apprenticeship scheme. This can be financial. Government could consider extending jobsplus to apprenticeships or offering similar supports. It can also be achieved by making sure young people are 'apprentice ready'. The system of traineeships¹⁶ introduced in the UK is designed to ensure young people have the necessary skills and experience to begin an apprenticeship.

Being involved in such programmes could be seen as part of a company's Corporate Social Responsibility: investing in people and supporting the development of a learning society vital to future social and economic development.

¹⁶ <u>http://www.apprenticeships.org.uk/parents/what-are-traineeships.aspx</u>

Proposed Action 6: Improve Access to Information

Government should ensure that those learners interested in apprenticeships and employers interested in supplying them have all the information they require. Consideration should be given to supporting an online apprentice vacancy matching service, such as that available in the UK.¹⁷

Proposed Action 7: Increase the Representation of Women in Apprenticeships

In recognition that women are underrepresented among those carrying out apprenticeships in Ireland, Government should take steps to rectify this. This could involve promotion during careers education in secondary schooling or specific outreach programmes involving businesses.

Proposed Action 8: Include Business Representatives on the Advisory Committee

The composition of the National Apprenticeship Advisory Committee¹⁸ reflects an industrial landscape which no longer applies to Ireland. The employer representative bodies and craft unions with membership should be augmented with representatives of emerging industries and employers organisations.

Proposed Action 9: Reform the National Training Fund

As apprenticeships benefit the learner, the employee and society in general, we support the existing system where the employer and the State share the cost of apprenticeship. However, we are concerned that the National Training Fund is, at present, not providing a satisfactory return on what is being contributed by employers. While Chambers Ireland has made a number of recommendations regarding the National Training Fund in our Pre-Budget Submission 2014, in terms of apprenticeships our view would be that the National Training Fund should primarily support the upskilling of staff in employment with a view to supporting the development of their company.¹⁹

Proposed Action 10: Coordinate the provision of Apprenticeships

As functions are transferred from FÁS to SOLAS and the ETBs are established, we would recommend that a distinct unit is established to coordinate all areas of apprenticeships in Ireland. This unit report against publicly available key performance indicators—which would be determined after a public

Accordingly, we call for €150m of the NTF to be ring-fenced to support four thematic areas:

¹⁷ <u>https://apprenticeshipvacancymatchingservice.lsc.gov.uk/navms/Forms/Candidate/VisitorLanding.aspx</u>

¹⁸ <u>http://www.education.ie/en/Publications/Policy-Reports/Apprenticeship-Review-%E2%80%93-Background-</u> <u>Issues-Paper.pdf</u>: see page 9

¹⁹ Reform of the National Training Fund

The National Training Fund (NTF) is gathered via a compulsory levy on all employers of 0.7%. This amounts to approximately €350m per annum. The vast majority of this money is currently devoted to training 'for employment.'

There is virtually no funding available to employers to either up skill their management teams or staff. This does little to assist firms at a time when they need it most.

^{€50}m to be made available for upskilling owner managers and the management teams of these SMEs on vital skills such as Cash Flow Analysis, Leadership, Business Strategy, Sales Management, Opening Export Markets and Operations.

^{€50}m to be made available for upskilling the existing workforce of SMEs with a view to making them more productive and helping these firms to become more profitable.

^{€35}m to be made available for supporting first time exporters entering near markets. In this context, the most pertinent market for SMEs that are new to exporting is the UK, with a focus on London and the South East; however, most SMEs will never qualify for support from Enterprise Ireland using traditional measures. Therefore, qualification criteria need to be broadened significantly to enable these firms to begin exporting. €15m to be made available to support the eEnabling of SMEs, assisting them to trade on line.

consultation on same—which would be published on a regular basis. Responsibility for the effectiveness and efficiency should rest with one individual.