

Autumn Business Lunch with Julie Sinnamon– Monday November 17 2014

Dia Dhibh Mayor Comhairle Catrach na Gaillimhe Councillor Donal Lyons, Julie Sinnamon Chief Executive Enterprise Ireland agus a Chairde uilig.

Tá fáilte roimh cách duine.

Last week was a very good week for Galway on several fronts.

We welcomed An Taoiseach who spent his day here making job announcements and opening facilities across the city and in Tuam.

He announced a total of 280 new jobs in Galway - 75 new jobs in Communications giant Avaya; 25 jobs in ICT Company PFH Technologies; 15 jobs in Vulcan Solutions, 25 at Perseus Telecom's new operations centre and 140 jobs in Valeo Vision Systems in Tuam. All of this in a week when our jobless total came in below 9,000 for the first time in 6 years.

While he was here An Taoiseach also launched the Galway Chamber's Economic Development Plan for Galway City and County at a very well attended meeting of business leaders.

Speaking at the event An Taoiseach said that the opportunities that Ireland and Galway have over the next 20 years are 'second to none'. An Taoiseach went on to say "If we all pull together, I guarantee you that the Agencies of state, so far as the Government is concerned, are open to the Chamber of Commerce, are open to working with you... Your future is our future'.

Collaboration is key to the success of Galway Chamber's Economic Plan. We want Galway to be a major driver of development within a thriving region.

We have proposed the development of the Atlantic Economic Corridor to further the relationships and structures required to promote a broader integrated regional strategy from Limerick to Sligo.

To do this we need a radical new approach to economic development. Major new promotion of indigenous enterprise is required, together with full exploitation of resources and assets particularly the Blue economy. In 2012 the West had 10.8% of all jobs in IDA backed industries and 7% of full-time jobs in Enterprise Ireland enterprises. We need productive job creation and full exploitation of our resources on an unprecedented scale.

In this spirit of collaboration, I am therefore particularly pleased to welcome our guest speaker today. Julie Sinnamon is CEO of Enterprise Ireland, a key partner in the realization of Galway's economic development.

Enterprise Ireland is and continues to be a strong and reliable partner. Indeed our co-funded Galway Technology Centre in Mervue could not have happened, or continue, without the support of Enterprise Ireland and your related organisations Westbic & City & County Enterprise Board (now LEO). We will continue to work closely with EI through Barry Egan here in Galway with whom we have a very good working relationship.

Thanks to the work of many, and with the on-going support of Enterprise Ireland, Galway is now recognised as a global innovative tech hub. We have drawn on the cultural and artistic heritage of our City to create a creative and innovative eco system, supporting many sectors, including bio medical, food, marine and ICT. The start-ups are numerous and it is this vibrant "Start-up"

community together with (A) our world renowned research centres,(B) our collaboration locally between all the respective Institutions and Business Representatives, ((C) and of course Galway has fantastic quality of life - that helped Galway City, out of an entry of 176 European Cities, be crowned by The Financial Times FDI Magazine winner of the Best Overall European Micro City of the Future 2014/15 and ranked Galway City 2nd Best Micro City for economic potential.

The realisation of this potential poses a serious challenge for all of us and cannot be realised unless:

1. Funding is readily available to SMEs. The recent launch of the SME fund by the [Strategic Banking Corporation of Ireland](#) is extremely welcome. But we must also ensure that long-term funding in the form of equity is readily available to our entrepreneurs. Private sector money managed by pension and venture capital funds must be channelled into start-ups and SMEs. The State alone cannot alone be expected to fund the required growth in the private sector.
2. Tax barriers must be removed. High Capital Gains Tax is a major barrier. We should be deeply concerned that risk takers are deterred from investing by comparatively high CGT. Maintaining the current CGT levels risks starving our SMEs of funding.
3. Growth is fair. State enterprises that provide funds for onward lending and investment must ensure that those provided with such funding lend and investment on a national basis, supporting entrepreneurs throughout the country.
4. The World Bank “Doing Business 2015” index placed Ireland in 13th position out of 189 economies – up two places from last year. This is great news overall. However in the same survey in the category dealing with planning and construction permits Ireland deteriorated from 117th to 128th place – clear warning that our planning and permit are not fit for purpose and need radical overhaul.
5. Education - Ireland's talent base and availability of innovative, skilled people are critical. Our Education system needs to be continually reviewed – we need a sharp focus on maths and science education at primary level if we are to ensure we have the STEM-savvy (Science, Technology, Engineering and Mathematics) workforce required for the smart economy we aspire to create.

From Galway Chamber of Commerce perspective we have, under the stewardship of Mike Devane (Chair of our Economic Strategy Committee) developed a 5 year Economic Development Plan with the core objective of achieving a GVA growth target of 5.4%pa – almost double current growth. The plan, which was launched by An Taoiseach, last Monday includes many specific proposals I would encourage to read the full copy which is available on the Chamber web site.

All these initiatives will help strengthen our indigenous industries. Economic sustainability and realisation of the Job target of 93k new jobs can only be realised through SME's. Just over 50 years ago Leaders of vision and courage set out the road map for Ireland to become a world leader in attracting FDI to create jobs of substance and opportunity for all Irish People. The only natural resource they had to work with was our ability to innovate and learn. The same determination has to be applied to Ireland's overall enterprise and investment road map to create 93k new sustainable jobs over the next five years.

As I have already said - To achieve this there are three "must-haves"

- (1) the creation and attraction of talent,
- (2) building dynamic and competitive city regions where the talent will thrive and
- (3) support this talent to deliver connected, world-leading research.

While these are ambitious they can only be achieved with Joined-up thinking and collaboration. Galway Chamber of Commerce won't be found wanting in playing a full part in that process and working with Local & National Government and Government agencies such as Enterprise Ireland.

After lunch we look forward to Ms Julie Sinnamon speak particularly around driving "Regional Enterprise and delivering Jobs".

Finally, I would like to thank our sponsors KPMG. KPMG are long time members and supporter of Galway Chamber. Without their support this event could not happen so on behalf of Galway Chamber I would like to thank Conor O'Dowd, Deputy President of Galway Chamber and representing KPMG here today.

Enjoy your lunch and enjoy your networking.

Go raibh míle maith agaibh go léir.