



roinn fiontar trádála agus fostaíochta
department of enterprise, trade and employment

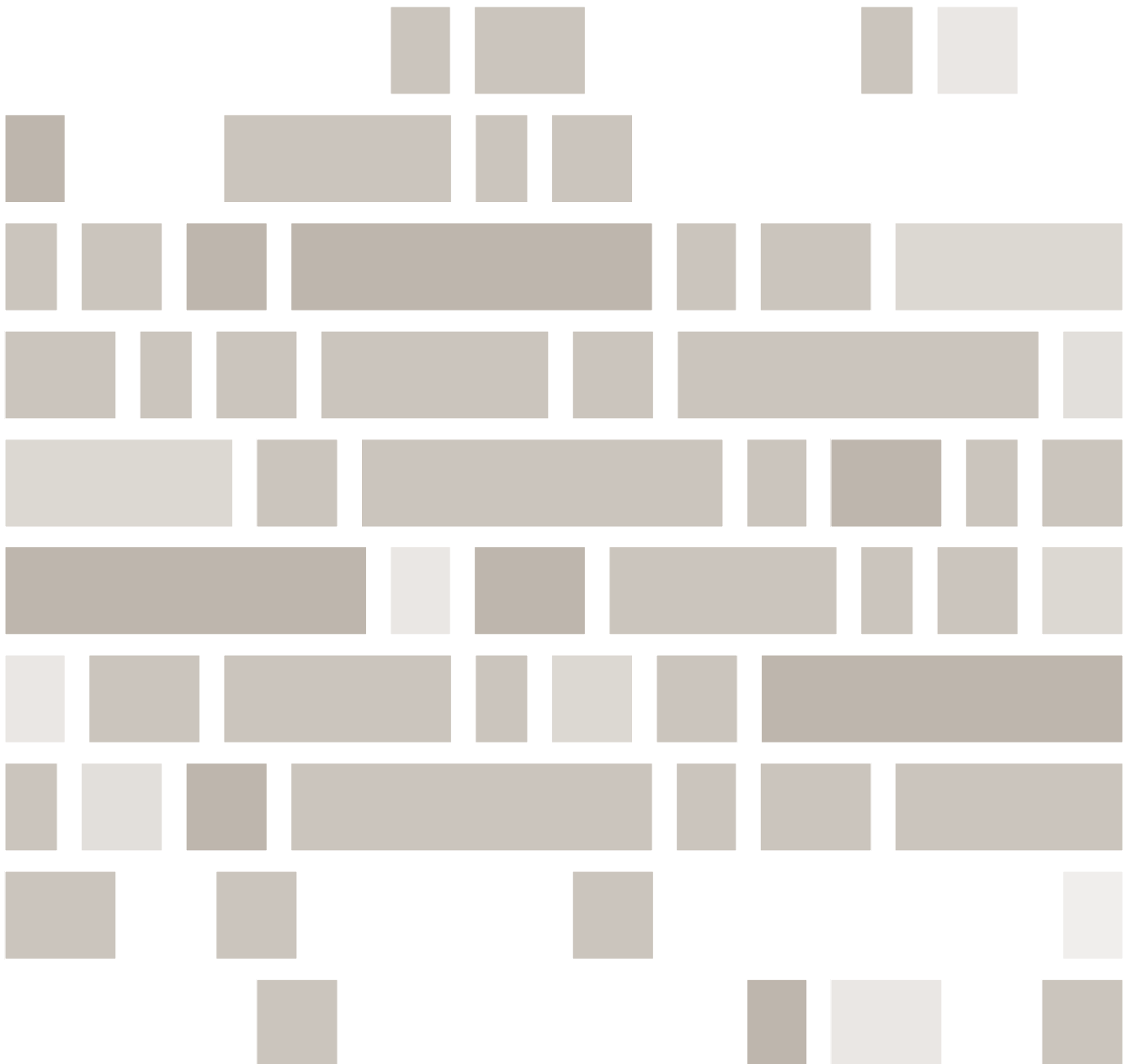
Annual Report 2005





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Contents

Foreword by Minister for Enterprise, Trade & Employment	4	PILLAR 3 – Making Markets & Regulation Work Better	57
Introduction by Secretary General	6	Competition Authority	58
Organisation Chart	7	Competition in sheltered sectors	58
Our Mission	8	Consumer Policy	58
Our Values	8	Company Law and Regulatory Agencies	60
Structure of the Department	8	Companies legislative framework for the financial services industry	60
Pillars & Key Goals of our Strategy	9	EU legislation on company law	61
Environmental Analysis	10	Company Law Consolidation and Reform Act	63
Summary of Key Achievements in 2005	12	Insurance Reform Programme	64
Summary of Key Priorities	13		
PILLAR 1 - Enterprise, Innovation, Growth	17	PILLAR 4 - Business Delivery, Modernisation & Customer Focus	65
Competitiveness	18	Quality Customer Service	66
Enterprise Strategy Group	20	Modernisation	67
International Trade	21	Human Resources & Training	68
Developing export potential and capacity	22	Human Resources Management	69
Internal market	23	Information & Communications Technology	70
Sustainability & Competitiveness	25	Decentralisation	71
Small Business	26	Financial Control & Value for Money	72
Public Expenditure on Enterprise Development	27	Internal Audit	72
Entrepreneurial activity	28	Openness, Transparency & Accountability	73
Use of ICT by Small & Medium Enterprises	30	Statistics Strategy	74
Regional development & Development agencies	30	Better Regulation	74
Promoting investment in Research & Development	31	Risk Management	74
Intellectual Property	35		
PILLAR 2 - Quality Work and Learning	37	Appendices	75
Lifelong Learning	38	Appendix 1:	
In-Company Training	38	Estimate (or Budget of the Department for 2006 including provisional out turn for 2005)	76
Training and supports for people with disabilities	39	Appendix 2:	
Vocational Education and Training at EU level	40	Report on Compliance with the Provisions of the Prompt Payment of Accounts Act	80
Support for the Unemployed	40	Appendix 3:	
European Employment Strategy	41	Legislation administered by the Department	81
Skilled labour from outside the EEA	42	Appendix 4: Legislation Enacted in 2005	83
Employment Permits	43	Appendix 5:	
FÁS expenditure and activities	43	Statutory Instruments made during 2005	84
Labour Market Data	44	Appendix 6:	
European Social Fund	48	Directives adopted at EU Level during 2005	89
ESF Programme design 2007-2013	48	Appendix 7:	
Social dialogue	48	Employment Regulation Orders made during 2005	90
Legislative, compliance and dispute resolution	51	Appendix 8:	
Employment rights services to the public	54	Bodies and Offices associated with the Department	91
Employment rights Information	54	Part 1 - State Sponsored Bodies and their Boards	
Employment rights Inspection	54	Part 2 - Offices Associated with the Department	95
Employment rights Prosecution and Enforcement	55	Part 3 - County and City Enterprise Boards	100
		Appendix 9: Addresses of Offices of the Department	103

We work for
Government and the
people to equitably
grow Ireland's
competitiveness and
quality employment.

Foreword

by Minister for Enterprise, Trade & Employment

Ireland continued to outperform its European counterparts in terms of economic growth in 2005. In an increasingly competitive world, we also continued to compete strongly in the global marketplace. This success is largely built upon the export activities of Irish based companies.

The value of our exports in 2005 increased by approximately 5% over 2004 with the EU remaining our largest export market, accounting for over 62% of the total. During 2005 the annual growth rate of employment in Ireland, at 4.6%, reached its highest figure for 5 years with overall employment reaching 2 million by the end of the year and unemployment remaining at a very low 4.4%. This Annual Report outlines how the Department of Enterprise, Trade & Employment, as a key economic Department, continued to play an important role in the development of our economy during 2005.

In recognition of the importance of the growth of small business to our economic development over the next decade I established, during 2005, the *Small Business Forum* to examine the current environment for conducting small business in Ireland and recommend strategies going forward. The Forum has now reported to me with its findings and has made a number of recommendations. I have asked my Department to proceed with the implementation of those recommendations that fall within my area of responsibility and I will be engaging with my Government colleagues in relation to the implementation of the remaining recommendations. The blueprint provided by the Small Business Forum should help ensure that the small business sector continues to build on its significant contribution to the economy and to economic growth.

The Enterprise Strategy Group, in its report 'Ahead of the Curve', recognized that Ireland needed to become a knowledge-driven, innovation-based economy and Government policy over recent years has been particularly focused on Ireland's continuing progress towards this goal. A key factor in this policy is investment in science, technology and innovation and I will launch in 2006, in consultation with a range of other Government Departments, a Strategy for Science Technology and Innovation which will, inter alia, be used to increase in-company research and development and to strengthen collaboration between industry and the education sector. This will help to ensure that, within the next decade, Ireland becomes an internationally renowned centre for research, generating and using new knowledge for economic and social progress.

If we are to continue to move forward in the context of a knowledge-based, innovation-driven economy we need to maintain a strong focus on education and training, ensuring

an adequate supply of labour to sustain economic growth, and to provide greater job opportunities for our citizens in increasingly high value employment. An important achievement in 2005, in progressing the recommendations of the Report of the Taskforce on Lifelong Learning and addressing the

skills needs of the economy, was the significant increase in support for training for those in employment. In addition, any of our skills labour shortages were met by the inward migration of EU/European Economic Area workers. The enactment of the Employment Permits Bill in 2006 will ensure a more managed economic migration policy, including a continual assessment of skill and labour needs, going forward. My Department continued to provide a range of programmes and services to facilitate the entry of the Long Term Unemployed and those people with disabilities into the Labour Market. A particularly important initiative was the launch of the new Wage Subsidy Scheme which provides financial incentives to employers to offer employment to disabled people.

A key challenge which faced my Department in 2005, as the number of people in employment exceeded 2 million for the first time, and where the mix of indigenous and migrant workers in the economy grew, was the monitoring of employment rights compliance across the workforce. During 2005 the Government, at my request, sanctioned an expansion of the Labour Inspectorate in order to deal with the growing number of inspections required in an expanding workforce and in an ever more complex employment rights environment. This area of my Department's remit, together with protection of the safety, health and welfare of our workers, will continue to receive priority attention.

I am deeply committed to the promotion and protection of consumer interests and have placed this high on my agenda. Follow-up work on the recommendations of the Consumer Strategy Group has, therefore, been identified as a key priority for the Department during the course of our current strategy period. A core recommendation of the Group's report was the establishment of a new National Consumer Agency (NCA), incorporating the existing Office of the Director of Consumer Affairs. Preparations in relation to the establishment of the new Agency were underway as we entered 2006 and I am determined that the NCA will act as a forceful advocate for the consumer and will have the necessary powers, functions and expertise to ensure that the consumers' voice is heard. An interim Board to the



Agency was appointed by me during the year and one of their first tasks was to prepare a submission, articulating a consumer view on the Restrictive Practices (Groceries) Order. The subsequent agreement by Government to repeal the Groceries Order was not only an important event for the Irish Consumer, but a liberation of competition policy in Ireland.

I would also like to pay tribute to my colleagues Michael Ahern TD, Minister for Trade & Commerce and Tony Killeen TD, Minister for Labour Affairs, for their continued support in delivering our Government programme in the Department of Enterprise, Trade & Employment. Equally, I must acknowledge the hard work of the staff of the Department who support me and my Ministers of State in delivering on my Department's key strategic priorities.

In order to ensure our continued success in growing national competitiveness, it is important that Ireland maintains a dynamic economy which constantly responds to the evolving demands of international competitiveness. I am confident that the successful delivery of the objectives and strategies set out in my Department's Statement of Strategy 2005 – 2007 will be a significant factor in achieving this goal, and I am pleased with the progress made to that end in 2005 and recorded in this Annual Report.



Micheál Martin T.D.

Minister for Enterprise, Trade & Employment

Introduction

by Secretary General

2005 was the first year of the Department's new Statement of Strategy 2005 - 2007. This Annual Report, therefore, sets out to report on progress achieved during 2005 in meeting the objectives and strategic actions set out in that Strategy Statement.

Our strategy is aligned along four pillars: Enterprise, Innovation & Growth; Quality Work & Learning; Making Markets & Regulation Work Better; and Business Delivery, Modernisation & Customer Focus. During 2005, significant progress was made in delivering on our strategies and objectives for the 2005 – 2007 period.

During the year under review, the Department continued to progress the commitments for which we have responsibility under the Sustaining Progress Agreement. Notable achievements included the operation of a new Coordination and Governance System for Science, Technology and Innovation, in order to ensure a structured approach to policy development in the area of research & development; the introduction of a new Wage Subsidy Scheme which will provide financial incentives to employers to employ people with disabilities; and the setting up of a Business Regulation Forum in order to look at easing the administrative burden on business. In addition, considerable progress was made in the area of health & safety at work, including the enactment of the Safety, Health and Welfare at Work Act 2005. This Act places a strong emphasis on the shared responsibilities and rights of employers and their employees in the area of health and safety. Also, the launch of the Report of the Expert Advisory Group on Workplace Bullying, which will address the increasing problem of workplace bullying and assist in ensuring that a consistent system is available to all those for whom bullying is an issue, was a major achievement and 2006 will see further work in this area as the Report's recommendations are progressed. Many other achievements in the areas of enterprise development, labour force development, competition & consumer rights, trade negotiations and other areas of policy coming under this Department's remit are reported on throughout this Annual Report.

During 2005 the Department continued to strive to ensure the provision of the highest quality service to our customers through the publication of our third Customer Service Action Plan and through significant work on the services provided directly to the public in the area of employment rights legislation. The establishment of an Employment Rights Group, in response to the recommendations of the Review Group on the Functions of the Employment Rights Bodies, is a significant step forward in progressing the simplification and streamlining of the complaint, appeal and enforcement procedures across all the various Employment Rights Bodies.

A modern and responsive Civil Service is an important component of Ireland's competitiveness agenda, and advancement of the modernisation agenda is therefore a key priority for the Department during the current strategy period. A wide range of modernisation initiatives were progressed during the year under review, including the development of improved performance indicators to allow for enhanced management reporting, the progression of the Department's equality agenda and continuing work on the establishment of a strategic central Human Resource Management Function for the Department. In addition, we continued to develop, enhance and grow the number of activities "on line" through a number of dedicated websites and eGovernment initiatives.

During 2005, and for the third year running, the Department was included in the list of the 50 best Irish organisations to work for. The "Best Companies to Work For in Ireland" competition forms part of a European Commission initiative designed to identify many progressive workplaces throughout Europe. Our continued success in this competition is an achievement of which I, and all of my colleagues, are particularly proud as it demonstrates the considerable advances made within the Department over the past few years in progressing the change management agenda, with a strong people-focus, allowing us to better deliver our services to our many stakeholders through a modern, progressive teamworking approach to carrying out our business.

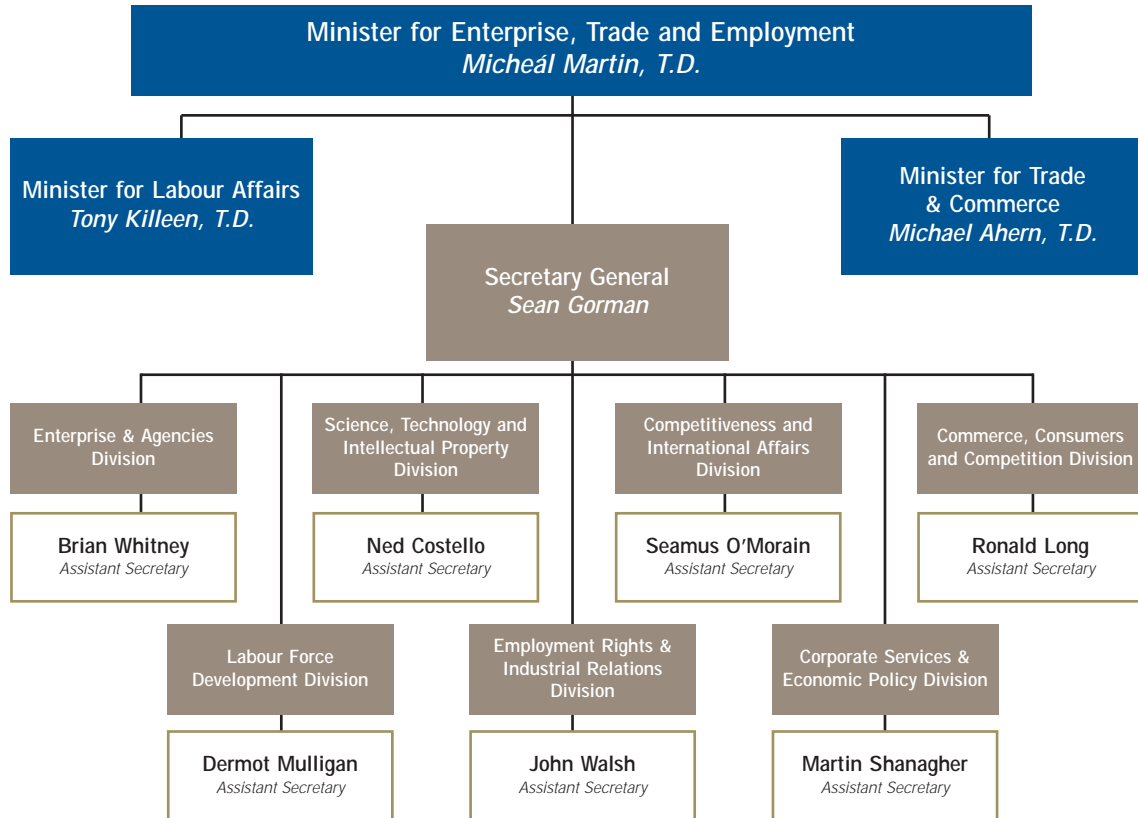
Finally, I would like to acknowledge the commitment of staff throughout the Department, whose co-operation and hard work throughout the year ensured that important progress was made in achieving all of the objectives set out in our Statement of Strategy. I am confident that, with their continued support, we will continue to meet the challenges presented to us by Government, the Oireachtas and our wider customer base throughout 2006 and beyond.



A handwritten signature in black ink that reads "S Gorman". The signature is fluid and cursive.

Sean Gorman
Secretary General

Organisation Chart



Department's Management Board

Back Row (left to right) Seamus O Morain, Margo Monaghan, Brian Whitney, Ronald Long, John Walsh, Martin Shanagher Front Row (left to right) Dermot Mulligan, Sean Gorman (Secretary General), Clare Dunne, Ned Costello. Absent, Martin Cronin, Chief Executive of Forfás.

Our Mission

We will work for Government and the people to grow quality employment and national competitiveness.

Our policies are designed to enhance competitiveness, help create an environment where enterprise can flourish and consumers are protected, up-skill the labour force, provide sustainable employment opportunities, improve workplace conditions, and help to build an inclusive society.

Our Values

Our approach to interacting with our key stakeholders – Government and the Oireachtas, members of the public, other public and private organisations and internally with our staff - is founded upon our core values¹ of:

- ▶ Fairness and Respect
- ▶ Openness and Transparency
- ▶ Flexibility and Responsiveness
- ▶ Partnership and Consultation
- ▶ Responsibility
- ▶ Motivation and Performance
- ▶ Service
- ▶ Professionalism

Structure of the Department

The Department is divided into the following seven divisions:

- ▶ Enterprise and Agencies
- ▶ Competitiveness and International Affairs
- ▶ Science, Technology and Intellectual Property
- ▶ Labour Force Development
- ▶ Employment Rights & Industrial Relations
- ▶ Commerce, Consumers and Competition
- ▶ Corporate Services and Economic Policy

¹ See the Department's Human Resources Strategy 2005-2007

Pillars & Key Goals of our Strategy

This Annual Report is based on activities aligned along the four pillars set out in our Statement of Strategy 2005 – 2007 and each pillar contains a number of high-level goals which form the basis for the work of the Department over the period. These Pillars and Goals are:

Pillar One Enterprise, Innovation, Growth

Key Goals

- ▶ The enhancement of Ireland's productivity and competitiveness levels so as to sustainably produce and sell on world markets, goods and services which add to national welfare.
- ▶ The development and implementation of policies to enhance the enterprise environment leading to high rates of sustainable entrepreneurship activity, the start up and growth of competitive firms, continued inward foreign direct investment and sustainable development.
- ▶ The stimulation of business to increase commitment to R&D, the promotion of innovation and a culture of entrepreneurship amongst researchers and the encouragement and rewarding of effective linkages between enterprise and academia.
- ▶ The harnessing of the potential of the knowledge-based economy for economic and social well being, turning knowledge into products and services, and contributing to the development of enterprises that can compete internationally and thereby deliver growing employment for the benefit of all.
- ▶ Working with the relevant stakeholders to ensure that Ireland becomes internationally renowned for the excellence of our research and is at the forefront in generating and using new knowledge for economic and social progress, within an innovation driven culture.
- ▶ Reviewing and updating industrial policies and interventions in light of the evolving competitiveness environment, developments in respect of the all-island economy and the need for regional balance.

Pillar Two Quality Work and Learning

Key Goals

- ▶ The pursuit of labour market policies which promote the development of human capital and lifelong learning,

help to address the skills needs of the economy, facilitate increased participation in and access to employment, and contribute to social inclusion.

- ▶ The further enhancement of quality employment by improving and enforcing employment rights and entitlements, including safety and health at work, and promoting social partnership, industrial peace and effective dispute resolution.

Pillar Three Making Markets & Regulation Work Better

Key Goals

- ▶ Ensuring that the current regulatory system delivers efficient and competitive markets with high standards of corporate governance and consumer protection.
- ▶ The further development of the legislative framework, having regard to best regulatory practice, in particular the principles of Better Regulation.
- ▶ The reduction of the cost of the delivery of compensation and the delivery processing times for personal injury claims with a view to improving the functioning of the insurance market for the benefit of consumers and businesses.

Pillar Four Business Delivery, Modernisation & Customer Focus

Key Goals

- ▶ The provision of high level professional support and advice across the Department in key support areas, in order to ensure that we meet our business goals and continue to be at the forefront of the modernisation agenda.
- ▶ The delivery of excellent services to our external customers and stakeholders through ensuring the most effective use, development and deployment of our resources and the achievement of maximum value for our expenditure.

Environmental Analysis

The Irish economy performed well during 2005. GNP is estimated to have grown by 5.4% while GDP also continued to grow, increasing by 4.7 % in 2005².

Overall, the economy grew by 5.4% in 2005, the highest in the eurozone and on a par with world GDP growth outside the eurozone. While overall economic performance remained strong, Ireland continued to face unprecedented challenges in maintaining and growing the number of high paid jobs in the economy and the knowledge intensive investment needed to sustain our performance into the future.

Employment creation continued to increase during 2005, with the annual growth rate of 4.6% being the highest for five years. By the end of the year, overall employment figures had reached 2 million. Foreign nationals represented 8.6% of the labour force at end 2005, compared to 7% at end 2004. Our unemployment rate, at 4.4%, is currently about half the EU average of 8.6% while our long-term unemployment figure, at 27,000, or 1.3%, is about one third of the EU average. Redundancies during 2005 decreased by an estimated 7.5% from 2004.

In a year in which trading conditions remained difficult worldwide and growth rates in the major European economies were low, Ireland's positive export performance continued, with trade figures showing a 5% increase in exports during the year. The European Union remained our largest market, accounting for over 62% of total exports. Exports to the USA remained stable at 19%, despite the difficult trading conditions which prevailed during the year. Exporters of manufactured goods, however, continued to face difficulties in a cost competitive sector and this remains a key challenge for Ireland.

Inflation increased slightly during 2005, the annual rate of inflation averaging 2.5% as opposed to 2.2% in 2004.

Ireland is at a key point in its economic development and must meet the significant challenges that have emerged as a result of globalisation and increased competition. In this environment, Irish companies must compete through innovation, market knowledge and a focus on productivity gains and increased automation. An increased attention to development strategies will be necessary in order to position Irish industry at the centre of economic growth and employment creation. A key factor in assisting Irish industry in its on-going drive for economic competitiveness is the publication of Enterprise Ireland's *Strategic Plan for Irish Industry* in May 2005, which aims to transform Irish Enterprise by providing a strong emphasis on research and innovation, exports, competitiveness and entrepreneurship. The establishment of a new competitiveness fund, the Productivity Improvement Fund with a total budget of €17

million until the end of 2006, is also a significant development.

The growth of small business will be an important factor in our economic development over the next decade and a new emphasis now needs to be placed on building strong indigenous SMEs. The establishment, during 2005, of the *Small Business Forum* enabled Government to take a specific look at the environment in which small business operates in Ireland and to consider new or revised strategies that would be beneficial in assisting small business to contribute to the growth of the economy.

The continued development of the knowledge economy, in order to progress our competitive advantage, is a major challenge and opportunity for Ireland, and investment in science, technology and innovation has become a major feature of Government policy. The establishment of a *Cabinet sub-committee for Science, Technology and Innovation*, chaired by the Minister for Enterprise, Trade & Employment, and the development of the *Strategy for Science Technology and Innovation* are important steps in the implementation of a whole-of-government approach to these key issues and to the advancement of the Research and Development agenda.

The embedding of the consumer agenda and protection is an essential factor in ensuring freely functioning competitive markets and empowering and strengthening the voice of our consumers. The publication, in May 2005, of the Consumer Strategy Group's report "Make Consumers Count", with the core recommendation that a new National Consumer Agency be established to undertake the functions of consumer advocacy, research, information, enforcement, and education and awareness, is an important step towards creating a new environment of consumer protection which will strengthen the role of consumers in the marketplace.

In order to continue moving forward in the context of a knowledge-based, innovation-driven economy, we must ensure that we have an adequate supply of labour to sustain our economic growth. If we are to continue to increase the number of people in the workplace, in the context of a decreasing number of young people coming into the labour market, we will need to adjust our economic migration policy in order to address identified labour shortages and skills needs. While economic immigration is not a substitute for up-skilling and training the resident population, migration, if managed properly, can contribute positively to the economy. The *Expert Group on Future Skills Needs/Forfas report*, launched during the year, identified the areas where skills gaps occur across the economy and examined in detail the potential of European

Economic Area (EEA) countries to meet skills demand in Ireland, concluding that the ten EU accession countries offer the best potential for attracting workers in terms of labour availability, mobility and skill level.

During 2005 there were 26,670 days lost due to industrial disputes. This compares with a figure of 20,784 days lost in 2004 and represents an increase of 28.3% over the previous year. The industrial relations disputes at Irish Ferries and An Post were two of the main contributing factors to these figures. During the year, Government and the Social Partners continued to work together to ensure labour market stability by negotiating and developing practical and achievable improvements in the workplace. The necessity of adapting employment rights compliance and enforcement to changing circumstances was progressed through the establishment of the *Employment Rights Group*, set up to oversee the development of a simplified body of employment rights legislation.

The Department's Statement of Strategy 2005 – 2007, which was published during 2005, was framed in the context of an economy that continued to grow at more than twice the EU average. Through pursuing the goals and objectives set out in that Statement, the Department aims to make a significant contribution to growing our national competitiveness and making Ireland a better place in which to live, work and do business. Progress made in that regard, during 2005, is reviewed in this Annual Report.

Summary of Key Achievements in 2005

Pillar 1 Enterprise, Innovation, Growth

- ▶ Establishment of a **Small Business Forum** to consider, in broad terms, the current environment for conducting small business in Ireland and the adequacy of the public policy responses, in the context of that environment, including the interventions of the enterprise development agencies.
- ▶ Launch of the **National eBusiness Strategy**. The Strategy contains a series of recommendations to help overcome obstacles to more effective usage of ICTs by SMEs and micro-enterprises and to stimulate their optimum usage.
- ▶ Establishment, as part of the new Coordination and Governance System for Science, Technology and Innovation, of a **Cabinet sub-committee for Science, Technology and Innovation**.

Pillar 2 Quality Work & Learning

- ▶ Launch of the new **Wage Subsidy Scheme (WSS)**, which aims to increase the numbers of persons with a disability in employment by providing financial incentives to employers, outside the public sector, to employ disabled people who work more than 20 hours per week.
- ▶ Publication of the **Employment Permits Bill 2005** in order to establish a statutory framework within which to implement an active, managed economic migration policy; and provide a number of important new protections for migrant workers in Ireland.
- ▶ Commencement of the **Safety, Health and Welfare at Work Act 2005**, which became law on 1 September 2005. The legislation consolidates safety, health and welfare primary legislation in one statute and places a strong emphasis on the shared responsibilities and rights of employers and their employees in the area of health and safety.
- ▶ Establishment of an **Employment Rights Group (ERG)** to consider and advise on the operational implications of giving effect to the recommendations of the Review Group on the Functions of the Employment Rights Bodies.

Pillar 3 Making Markets & Regulation Work Better

- ▶ Announcement, following a public consultation process, of the **revoking of the Groceries Order** in its entirety. The primary legislation required to repeal the Order, the Competition (Amendment) Act 2006, was enacted in March 2006.
- ▶ Publication of the Consumer Strategy Group's final Report "**Make Consumers Count: A New Direction for Irish Consumers**". The Report contains over 30 separate recommendations for the development of a national consumer policy strategy.

Pillar 4 Business Delivery, Modernisation & Customer Focus

- ▶ The publication of the Department's **Statement of Strategy 2005 – 2007**, and the development of agreed **Performance Indicators** which will lead to enhanced Management Reports in line with the objectives of the Management Information Framework.
- ▶ Publication of third **Customer Service Action Plan** (see www.enterprise.ie - Quality Customer Service)
- ▶ **Listing of Department of Enterprise, Trade & Employment as one of 50 best organisations to work for in Ireland in 2005**. For the third year running, the Department of Enterprise, Trade and Employment was listed amongst the 50 "Best Companies to Work for in Ireland". The "Best Companies to Work For in Ireland" competition forms part of a European Commission initiative designed to draw attention to the many progressive workplaces throughout Europe, both in the public and private sectors.

Summary of Key Priorities

Enterprise Strategy Group

The Enterprise Strategy Group (ESG) was established to develop policy options for Ireland's enterprise strategy for growth and employment for the coming decade. Their report – Ahead of the Curve, Ireland's Place in the Global Economy - was published in July 2004. Following its publication the Government agreed a follow-up action plan. This action plan forms the basis for the implementation of the ESG recommendations.

On the 9th October 2005 the Minister for Enterprise, Trade and Employment established the Enterprise Advisory Group. The Group is chaired by Mr. Michael Buckley and comprises six business representatives, with Secretaries General of the relevant Government Departments attending where necessary. The Group is charged with monitoring implementation of the ESG recommendations according to the Government approved action plan. The Group will report to the Minister twice yearly on the status of the implementation of the recommendations.

Small Business

A Small Business Forum was set up in July 2005 to consider, in broad terms, the current environment for conducting small business in Ireland and the adequacy and appropriateness of the public policy responses in the context of that environment, including the interventions of the enterprise development agencies.

In addition, during 2005 a total of €17.7m of capital expenditure was made available by the Department to the 35 County and City Enterprise Boards (CEBs) for the support and development of micro-enterprises. Of this, over €10.8m related to expenditure on financial support for projects in the form of Capital Grants, Employment Grants and Feasibility Study Grants. About a third of this support was issued in a repayable form.

Work on developing an extension to the Community Enterprise Centre Scheme (operated by Enterprise Ireland) reached a successful conclusion with the announcement, by the Minister, of the provision of €7m in grant funding for the period 2006 – 2008. The Scheme is aimed at promoting community enterprise in areas that lack existing enterprise space, have experienced significant job losses, or have a poor history of enterprise development.

Investment in Research & Development

Knowledge creation and exploitation is an integral feature of every successful advanced economy. Research and Development is central to the achievement of a knowledge economy and is an area on which Government has placed great emphasis in the recent past.

Under the current National Development Plan, a five-fold increase in investment in technology, innovation and scientific research is taking place. Spending of €2.5 billion is planned for the period 2000 to 2006, compared with €0.5 billion over the period 1994 to 1999. Sixty per cent of this spending falls within the aegis of the Department of Enterprise, Trade and Employment and is implemented through programmes operated by Enterprise Ireland, IDA Ireland, Science Foundation Ireland and Forfás.

In 2005, spending on these programmes amounted to €222 million compared to €195 million in 2004.

Economic Migration Issues

Economic migration policy is formulated within a context where the focus on meeting the skills needs in Ireland is:

- ▶ firstly, on up-skilling the resident workforce
- ▶ secondly, on maximising the potential of European Economic Area (EEA) nationals to fill the skills deficits, and
- ▶ thirdly, to develop a responsive, managed and skills-based immigration policy by the introduction of a new green card and revised work permit system, to meet those skill needs which cannot otherwise be addressed.

The Employment Permits Bill 2005 was published in June and passed through the Dáil 1st and 2nd Stage debates during October/November 2005. It is due to be considered by the Joint Oireachtas Committee on Enterprise and Small Business in spring 2006.

Lifelong Learning

The Department continued to liaise with other organisations to foster lifelong learning initiatives and continued progress was made by the Department and the Department of Education and Science in implementing the recommendations of the Report of the Taskforce on Lifelong Learning. The key achievement in 2005 was the significant increases in support for training the employed, in particular the announcement in March of a new 5-year mandate for the enterprise-led training body Skillnets Ltd, the launch of the first call for proposals under the Accel³ Programme with over €9m committed to approved projects in 2005, and the launch in September of FÁS's One Step Up initiative, with an annual budget of over €35m, which also includes a dedicated provision for basic skills training in literacy and numeracy.

People with Disabilities

The range of FÁS grants and schemes to assist in the labour market integration of people with disabilities was further extended in 2005 through the roll-out of the Wage Subsidy Scheme aimed at increasing the employment prospects of people with disabilities.

Unemployed and Long-Term Unemployed Persons

In addition to placement and career guidance services, a variety of training and labour market programmes and supports continue to be provided by FÁS. A review of the Employment Action Plan Preventive Strategy (which involves early intervention with persons at risk of becoming long term unemployed and referred to FÁS by the Department of Social and Family Affairs for the purpose of assisting their integration into the labour market) was commissioned by the Department and carried out in 2005. The report of this review is available on the Department's website at www.entemp.ie/labour/services/neapstrategy.htm.

Consumer Strategy Group (CSG)

The Consumer Strategy Group's final Report "Make Consumers Count: A New Direction for Irish Consumers" was published in May 2005. The Report contains over 30

separate recommendations for the development of a national consumer policy strategy.

The Group's core recommendation was that a new National Consumer Agency, incorporating the existing Office of the Director of Consumer Affairs, be established. The Group recommended that the new Agency should have specific statutory responsibilities in areas such as consumer advocacy, research, education and awareness, enforcement and information. The Government, in approving the establishment of the National Consumer Agency (NCA), also agreed to the appointment of a Board to the new Agency to act in an interim capacity until the NCA can be established on a statutory footing. It is expected that the legislation establishing the new Agency will be published in 2006 and that the new Agency will be up and running in 2007.

Given the scope and breadth of the CSG's Report, a High Level Inter-Departmental Committee was also established to examine the implementation of the recommendations in the CSG Report.

Competition Policy

Following a recommendation by the Consumer Strategy Group in March 2005 the Department conducted a detailed review of the Restrictive Practices (Groceries) Order 1987, which included a comprehensive public consultation process. Following this review the Government, in November 2005, decided to revoke the Order. Primary legislation is required to repeal the Order and is to be enacted early in 2006.

National Partnership Agreements

The Department continued to participate fully in the social partnership process, both in meeting its specific departmental commitments under the Sustaining Progress agreement itself and in monitoring the implementation of the agreement in general. Progress was made in implementing a wide range of commitments during 2005, and details are set out in the "Social Dialogue" part of this Report.

³ Accel is an initiative of the Department of Enterprise Trade and Employment and aims to give employers and workers an opportunity to rapidly improve, realign or revise their current skills base.

International Dimension

The Department continued to ensure that Ireland's export markets were developed. Despite economic difficulties in some of our key trading partners, the level of exports increased over the year and, in particular, good progress was made in some key new markets, particularly in Asia. Ireland's trade surplus was once again very healthy for 2005. Ireland's trade interests were represented to the maximum extent at EU trade policy (Article 133 Committee) meetings while developments of the Doha Development Agenda (DDA) negotiations were monitored through attendance at World Trade Organisation (WTO) meetings.

In June 2005, Ireland was elected as a Deputy Member of the Governing Body of the International Labour Organisation (ILO) at the 93rd Annual International Labour Conference in June 2005. This was the third time that Ireland has been elected to this position since joining the ILO in 1923. The three-year term runs until June 2008. The Conference was attended by a tripartite delegation, representing employers, trade unions and Government, and was led by the Minister for Labour Affairs.

Decentralisation

As part of the Government's Decentralisation Programme, the Department is required to move 250 posts to Carlow. The Department's Decentralisation Implementation Plan was revised in March in light of the recommendations in the Third Report of the Decentralisation Implementation Group⁴. The Plan was updated to reflect the inclusion of the Department among the organisations listed as the potential "early movers" of the Decentralisation Programme. The plan sets out how the staffing, training, customer service, business continuity and risk management issues associated with this major undertaking will be addressed so as to maximise business continuity within decentralising business sections and maintain high levels of customer service.

Another major development in the decentralisation programme in 2005 was the completion of the purchase of a landmark site in Carlow town centre on which the Department's new offices will be constructed. The Department continued to work closely with the Office of Public Works throughout the year to specify office accommodation requirements. This work continued into 2006.

A number of Agencies under the aegis of the Department namely FÁS, the National Standards Authority of Ireland, Enterprise Ireland and the Health and Safety Authority, are also to decentralise and each of these Agencies published a revised Decentralisation Implementation Plan in 2005.

Modernisation Agenda

As part of the Civil Service-wide drive to modernise how we serve our customers and stakeholders in an ever more efficient and effective manner, the Department continued to pursue the modernisation agenda in 2005. Modernisation initiatives within the Department are driven by, and progressed through, the Department's four Strategic Management Initiative (SMI) Working Groups –

- ▶ Quality Customer Service & Openness, Transparency and Accountability;
- ▶ Financial Management;
- ▶ Human Resources Management; and
- ▶ Information Systems Management.

These Groups met regularly during 2005 to progress their work programmes and advance the modernisation agenda throughout the Department. During 2005 a wide range of modernisation activities were initiated, progressed or completed and these included:

- ▶ Continuing improvements in services to our customers through the formulation and development of the Department's Customer Service Action Plan 2005 – 2007;
- ▶ The completion of a number of significant IT projects, designed to improve our customer service, including;
 - The introduction of a new on-line Redundancy Payments System;
 - The introduction of electronic payment options in the Companies Registration Office and in the Patents Office;
 - The development of a new Management System to oversee the delivery of Work Permits;
 - The development of an Employment Appeals Tribunal website;
 - Redesign of a number of departmental websites.

⁴ Decentralisation Implementation Group - Report to Minister for Finance - Selection of organisations/locations for inclusion in the first phase of moves, 19 November 2004

The Department's detailed action plan, developed to give effect to the modernisation commitments of Sustaining Progress, continued to be advanced during the year. Two updates on implementation of the many action plan commitments were submitted to the Civil Service Performance Verification Group (CSPVG) during 2005. The CSPVG noted, in particular, very good progress made in the areas of customer service, efficient use of resources, implementation of the recommendations of expenditure reviews and the development of performance indicators by the Department.

Better Regulation

In November 2005 the Minister for Enterprise, Trade and Employment set up a Business Regulation Forum (BRF) to work in parallel to the Better Regulation Group⁵. The BRF takes the form of a standing dialogue between Government and business on addressing issues of burdensome regulation.

The Department has also drawn up a strategy paper for the implementation of Regulatory Impact Analysis (RIA) on a systematic basis across the Department – RIA being the requirement to conduct a formal assessment of the likely affects of a proposed new regulation or regulatory change in an effort to establish, in advance, whether or not the proposed regulation will actually have the desired impact. RIA helps to identify any possible side effects or hidden costs associated with the new regulation and to quantify the likely costs of compliance on the individual citizen or business, as well as the costs of enforcement for the state.

5 The Better Regulation Group, chaired by the Dept of Taoiseach, oversees implementation of the Action Plan set out in the Government White Paper on Better Regulation

Pillar 1

Enterprise,
Innovation, Growth



Pillar 1 - Enterprise, Innovation, Growth

Competitiveness

Objective

To promote competitiveness so as to attain productivity levels in Ireland equivalent to the most advanced economies in the world through prioritizing policy interventions in the domains of entrepreneurship, in research and development, competition and consumer policy, regulatory reform, human resource development and public sector reform. This will be complemented by a focus on cost competitiveness so as to restore relative prices to compare favourably with comparator countries; and by a commitment to work with our EU partners on the actions to achieve the Lisbon competitiveness targets.

Strategic Actions

We will maintain a high profile for competitiveness issues and challenges over the period of the strategy through reporting to Government on a six monthly basis.

We will report annually to the Government on the Annual Competitiveness Report and Challenge of the National Competitiveness Council and undertake an action-oriented follow-up of the recommendations.

Overall national competitiveness improved in 2005 with Ireland progressing from 30th to 26th in the World Economic Forum's Global Competitiveness Report 2005-2006. The Department continued to take an active role in the promotion of competitiveness issues through inter-departmental groups and work with both Forfás and the National Competitiveness Council (NCC). During 2005 the Department also reported to Government on progress being made in relation to the implementation of the NCC's 2004 recommendations. Many of the Council's 2004 recommendations were implemented in line with Government policy. Of particular importance were the following:

- ▶ The increase in the resources of the Competition Authority;

- ▶ The abolition of the Groceries Order and the removal of the floor space cap on retail warehouses in certain circumstances;
- ▶ The establishment of the Dublin, Shannon and Cork independent airport authorities and the full market opening of the Irish electricity market;
- ▶ The publication of a regulatory impact assessment guidance manual;
- ▶ The restructuring of Enterprise Ireland's overseas network and marketing supports and the establishment of the 'Productivity Improvement Fund' with a total budget of €17 million until the end of 2006, to assist Irish industry in its on-going drive for efficiency and economic competitiveness.

During 2005 the NCC published their Annual Competitiveness Report and their Competitiveness Challenge 2005. Both these reports acknowledged the remarkable success of Ireland's economic strategy over the past twenty years. They also stated that Ireland is currently in a position of economic strength. According to the NCC in 2005 Ireland ranked second out of 15 countries⁶ in terms of GDP per capita and sixth out of 15 countries under GNP per capita.

The NCC also identified, in their Competitiveness Challenge 2005 Report, the principal challenges and influencing factors, which will determine Ireland's ability to remain competitive in the globalised world economy. According to the NCC, Ireland's principal challenges include the following:

- ▶ Globalisation and increased competition
- ▶ Increased cost base
- ▶ Shift from manufacturing to services
- ▶ The knowledge society and impact of technological change
- ▶ Quality of life and demographic issues

To address these challenges the Council proposed policy initiatives in four areas - Tax and Regulation, Infrastructure, Education and Training, Entrepreneurship and Innovation. To progress the Council's recommendations, the Department will continue to chair an interdepartmental group, which is charged with overseeing and implementing, where appropriate, the Council's recommendations across Government.

⁶ These countries are selected to reflect Ireland's major trading partners and competitors for mobile investment flows. They include seven eurozone countries, two non-eurozone EU countries, two new EU members and four non European countries

Pillar 1 - Enterprise, Innovation, Growth



Micheál Martin, T.D., Minister for Enterprise, Trade & Employment and Dr Don Thornhill, Chairman, National Competitiveness Council at the launch of the NCC 8th Annual Competitiveness Report

We will undertake thematic or sectoral analyses of competitiveness issues from time to time, as the need arises.

In February 2005 the Department published a discussion paper entitled *Irish Electricity Market Principal Challenges*. This paper examined the Irish electricity market and contributed to the elaboration of an overall national energy policy, which is being undertaken by the Department of Communications, Marine and Natural Resources. The Department also commenced work with the Department of Environment, Heritage and Local Government on reforms to the local development charges guidelines.

We will actively support, as part of the national contribution to the Lisbon Strategy, the effective adoption and implementation of the policy fields and instruments, agreed following the mid-term review of Lisbon, which fall within the ambit of the Department. As part of the commitment to enhance national stakeholder "ownership" of the agenda, this will include timely and effective communication to the Oireachtas Committee on EU Affairs on issues arising. It will also include effective engagement with cross-Departmental teams concerned with the EU and, in particular, the Lisbon agenda.

In pursuit of the Lisbon agenda for growth and jobs, the Department took the lead responsibility, in consultation with other Government Departments, in drafting the micro-economic and employment policies, in preparation for submission of the National Reform Programme to the European Commission. A range of co-ordination work, networking, information gathering and issue-influencing was

carried out with particular reference to the EU Competitiveness Council. In that regard, we continued to take an active part in EU negotiations to influence the outcomes of EU legislative and non-legislative measures including maintaining a strong focus on Competitiveness and productivity; better regulation and simplification of EU legislation; innovation policy; R&D Programmes; Chemicals legislation (known as "REACH"); and Services and the Internal Market.

The Department actively participated in the system for Oireachtas Scrutiny of EU proposals and dealt with more than 81 proposals on which information notes were prepared and submitted to the Oireachtas. Eight of these proposals were referred for further scrutiny to the Joint Committee on Enterprise and Small Business and four were referred for further scrutiny to the Joint Committee on Education and Science. The Department submitted two six-monthly reports for 2005 to the Oireachtas under the European Union (Scrutiny) Act, 2002.

We will pro-actively support efforts to make the EU Competitiveness Council a key driver of competitiveness related reforms at the Union level.

During the year we actively participated in the High Level Group on Competitiveness and Growth and the Enterprise Policy Group and, through our Permanent Representation in Brussels, contributed to discussions and initiatives in the area of better regulation, industrial policy, SME policy and other areas under the Lisbon Agenda.

We will continue consultation on, and maintain awareness of, issues affecting particular sectors of enterprise and continue to seek to have those issues addressed as far as is possible, at national, EU and international levels.

Our support for the implementation of the recommendations arising from the reports of the Enterprise Strategy Group and the National Competitiveness Council provided the main instruments for addressing issues affecting the enterprise sector at national level. At EU level, we supported and continue to implement actions under the key elements of the Lisbon Agenda which relate to the enterprise sector through the National Reform Programme.

Pillar 1 - Enterprise, Innovation, Growth

Enterprise Strategy Group

Objective

To implement the recommendations of the Enterprise Strategy Group report as decided by the Government.

Strategic Actions

In line with Government decisions and the agreed action plan, we will progress implementation of the recommendations of the Enterprise Strategy Group (ESG) report.

We will use the Expert Group, set up to monitor implementation of the ESG recommendations, to ensure sustained progress in achieving this objective.

On the 9th October 2005 the Minister for Enterprise, Trade and Employment established the Enterprise Advisory Group and charged it with monitoring the implementation of the Enterprise Strategy Group (ESG) recommendations. The Group is chaired by Mr. Michael Buckley and comprises six business representatives with Secretaries General of the relevant Government Departments attending where necessary. The Group will report to the Minister twice yearly on the current status of the implementation of the recommendations. The Group held its first meeting on the 8th December 2005, and will advise the Minister on the progressive implementation of the ESG recommendations over the coming two years.

Significant progress has already been made in relation to the following ESG recommendations:

Export Ireland: In May 2005 Enterprise Ireland (EI) launched a new Strategic Plan and, as part of the new strategy, EI established a centralised International Sales & Partnering Division, where the Overseas Network is managed as a single and cohesive unit. This was in direct response to the ESG recommendation to establish a dedicated structure within EI to promote Ireland's exports.

Increased Emphasis on Management Capability: Enterprise Ireland's new strategy also led to the creation of a new division, the Client Management, Development and Mentoring Division. This Division has been established in response to the ESG recommendation on the need for enterprise agencies to place an increased emphasis on the management capabilities of firms to which they provide support.

Business Networks: In December 2005 the Department gave sanction to Enterprise Ireland to proceed with the implementation of a pilot project relating to industry-led networks and this pilot project will commence in early 2006.

County Enterprise Board Central Co-Ordination Unit within Enterprise Ireland: It is anticipated that the establishment of the Unit within Enterprise Ireland will assist in providing a cohesive structure as possible for the support of all indigenous enterprise, will facilitate the exchange of experience and expertise between EI and County Enterprise Boards (CEBs) and will also help EI identify High Potential Start Up (HPSUs). Following the Government's endorsement of the proposal, the Department initiated a consultative process with both the CEBs and EI, in order to explore how best to progress and implement the recommendation and to establish an appropriate timetable for the transfer of a range of functions from the Department, in respect of the CEBs, to EI. It is intended to formally transfer these functions and to have the Unit in place by mid-2006.

Shannon Development: On 28 July 2005 the Minister announced a new mandate for the Company. Under the terms of the new mandate the Company will place an increased focus on the regional economic development aspects of its remit, with special emphasis on addressing the needs of the less-developed parts of the region. In line with the recommendation of the Enterprise Strategy Group, the new mandate provides that the support functions in relation to indigenous enterprises in the Shannon region, that are carried out by Shannon Development on behalf of Enterprise Ireland (EI), will revert to EI with IDA Ireland assuming responsibility for promoting investment and supporting foreign direct investment in the Shannon Free Zone.

Continue Funding for Science Foundation Ireland (SFI): The Government has committed funding on a multi-annual basis for the period 2005-2009 to SFI in the transition to the new Science, Technology and Innovation Strategy and the new National Development Plan.

Skills Based Immigration Policy: Minister Martin announced, on the 12th October 2005, a skills based and strategic economic migration policy. This will involve a Green Card system that will offer long term or permanent residence after 2 years, immediate family reunification and spousal automatic right to work. The system will be introduced, by mid 2006, for a wide range of occupations where the salary level is in excess of €60,000 per year.

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FÁS – Focus on Labour Force Training: FÁS received €35.6m for the training of those in employment in 2005. Similar amounts will be provided in each of the next two years. FÁS has approved 20 major projects under the 'One Step Up' initiative⁷ and a further 10 are under consideration.

Innovation Fund for 3rd Level: In 2005 the Minister for Education and Science announced the Strategic Innovation Fund for the higher education institutions, in order to promote change and innovation among and across the institutions. In Budget 2006, €300m was allocated to the Strategic Innovation Fund for a five-year period.

We will report twice yearly to Government on progress in implementing the ESG recommendations and will report on these activities in the Department's annual report.

The Enterprise Advisory Group (EAG) will report to the Minister twice yearly on progress in implementing the Enterprise Strategy Group recommendations. As the Group held its first meeting on the 8th December 2005, it will submit a first report to the Minister during the first half of 2006.



Michael Ahern, T.D., Minister for Trade & Commerce at the GSM Telecommunications Conference in Cannes

International Trade

Objective

To maximise the benefits to Ireland of a successful conclusion of the Doha Development Agenda negotiations, especially in relation to market access, intellectual property and trading rules.

Strategic Action

We will co-ordinate Irish key interests in relation to matters arising under the framework of the EU Common Commercial Policy and seek to influence, through our participation on the 133 Committee and related structures, an ongoing opening of markets and liberalisation of trade policy developments, including a successful completion of the Doha round of negotiations.

During 2005, Irish trade negotiators continued to identify, negotiate and promote Ireland's multilateral trade interests

in the context of the on-going negotiations under the Doha Development Agenda (DDA). Ireland participated in, and represented these interests to the maximum extent at EU trade policy (Article 133 Committee) meetings and monitored developments of the DDA negotiations at World Trade Organisation (WTO) meetings. This ensures that Ireland's strategic trade interests are fully reflected in the European Union's Common Commercial Policy.

In December 2005, at the 6th WTO Ministerial Conference in Hong Kong, WTO Members, including the Member States of the European Union, adopted the WTO Ministerial Declaration. The agreement reached in Hong Kong provides for a continuation of negotiations across the full spectrum of areas within the Doha Development Agenda, with a recommendation of a deadline of concluding the negotiations successfully, in 2006.

⁷ The 'One step Up' initiative is implemented by FAS and is aimed at providing training for those in employment.

Pillar 1 - Enterprise, Innovation, Growth

Developing export potential and capacity

Objective

To enable trading opportunities available in markets across the world to be capitalised by Irish exporters and to create a system for the effective management of Ireland's export licensing system.

Strategic Actions

We will work cooperatively with other Government Departments, with Enterprise Ireland and with other agencies charged with the promotion of exports so as to enable the benefits of world markets to be optimised for our exporters. This will include developing means by which the clients involved – exporters themselves – can relay concerns and make suggestions on how policy, supports and administrative procedures could be beneficially refined or adapted so that the State's efforts to consistently improve on our export performance will be realised.

The Minister and Ministers of State of the Department led 20 separate trade missions abroad in the course of 2005. These trade missions were organised in conjunction with Enterprise Ireland and included participation in the President's State Visit to Korea and Japan; the large trade mission led by the Taoiseach to China; 12 trade missions in various European countries and missions to other regions including the United States and Australia.

These trade missions facilitated Irish companies in initiating or developing relationships with current and potential partners in the various targeted markets. The range of markets chosen reflects both the need to provide support in important established markets and to assist companies to further develop their export potential and to diversify by accessing emerging markets particularly those in Eastern Europe and in Asia.

Based on provisional Central Statistics Office data, the value of exports in 2005 increased by approximately 5% over 2004. The EU continues to be our largest export market, accounting for over 62% of the total. Exports to the United States stood at 19% of the total, and the US remains our largest single export market destination.

On 29 June 2005 a new initiative for stakeholder consultation was launched in the form of the National Trade Forum (NTF). This provides a forum for discussion on the future agenda for developing trade policy and was

organised with the co-operation of Forfás. In addition, the Department's Statement of National Trade Policy was launched during the year. This strategy, "*Trading for Economic and Social Development*", offers a synthesis of Ireland's current position on trade and the policies underpinning our trading position, and identifies some of the challenges facing Ireland as a trading nation over the coming years.

Under the provisions of Export Credit Guarantees, a considerable volume of debt owing to the State exists - some of which had been outstanding for many years and had previously been considered unrecoverable. Recoupment efforts have been active since the Export Credit Insurance Scheme ceased in 2003 and are continuing with considerable success. A total of just over €1m was recovered during 2005.

We will introduce revised procedures to report and monitor on the impacts of trade missions abroad with a view to identifying possible success indicators by which to benchmark the outcomes in the future.

The Department has arranged for Enterprise Ireland to submit progress reports on all Ministerial trade missions abroad. This will facilitate better analysis of the success factors and outcomes of such missions. In addition, we are currently drawing up a template with a view to identifying the medium to long-term success factors, which can be used to benchmark future outcomes. This work will help ensure that the Department can optimise the value of these missions, which are designed to play an important part in enhancing Ireland's export performance.

We will give effect to the recommendations of the Review of the Export Licensing System, including the introduction of new legislation.

The Department participated actively in the inter-Departmental Group charged with overseeing the implementation of the recommendations of the 2004 review of Ireland's Export Licensing System. The Group, which is chaired by Forfás - the national policy advisory board for enterprise, trade, science, technology and innovation-also includes representatives of the Departments of Foreign Affairs, Defence, Justice Equality and Law Reform, Environment, Heritage and Local Government and the Revenue Commissioners. Within the Department, work commenced on the drafting of new legislation to bring Ireland's export controls into line with best international practise and to ensure that Ireland is meeting its EU and

Pillar 1 - Enterprise, Innovation, Growth

international obligations in full. That work continued in 2006.

We will work towards the implementation of a new Asia Strategy for the period ahead.

The second phase of the Asia Strategy ("A Decade of the Asia Strategy 1999-2009") was officially launched by An Taoiseach, Mr Bertie Ahern, T.D. on 4th April 2005. This sets targets and priorities to expand trade and economic links with the key Asian economies. An Asia Strategy High Level Group, with public and private sector representation, was established to monitor progress by relevant Government Departments and Agencies in meeting the specific targets set out for implementation of the Strategy. The Group held its first meeting on 24th October 2005.

We will undertake a wide-ranging review of the issue of outward direct investment. The policy implications or instruments needed to support action in this field will be considered when reviewed during 2005.

The Department has held discussions with Forfás regarding the formulation of a national policy on Outward Direct Investment (ODI) and the issues involved over the long term. As an interim step, Forfás has made an initial assessment of ODI and its implications for policy-makers and this will be outlined in its "International Trade and Investment Report, 2005", due for publication early in 2006.

Internal market

Objective

To strengthen the functioning of the Internal Market, including through the development of a regime to create an Internal Market in services, and through the timely transposition of EU Directives.

Strategic Actions

We will continue to work towards the creation of an effective Internal Market for Goods and Services. A particular focus over the period of this strategy will be to effectively contribute to the work on the proposed EU Directive on Services in the Internal Market.

The draft Services Directive is a broad crosscutting proposal to give service providers the freedom to supply their services across EU borders or to establish in other Member States. While the draft Directive would not cover all services, those covered by the Directive represent about 40% of GDP, roughly twice as much as manufacturing.

Work continued during 2005 on the draft Directive in the relevant Council Working Group under the Luxembourg and UK EU Presidencies. The UK Presidency produced a new working document of the proposal in December 2005.

Ten European Parliament Committees reported on the draft Directive in 2005 with the Internal Market and Consumer Protection Committee (IMCO) and the Employment and Social Affairs Committee (ESAC) being the two lead committees. The European Parliament completed its first reading of the draft Directive on 16th February 2006. The European Commission is now expected to bring forward a modified proposal taking account of the Parliament's first reading and the discussions in the Council to date during 2006.

The Department engaged in a wide-ranging consultation process on the draft Directive with all Departments, State Bodies, the social partners (business and trade unions) and other stakeholders throughout 2005. The consultation process continued into 2006.

We will ensure compliance and timely implementation of EU Internal Market law in Ireland by working with other Government Departments to monitor closely and report on the correct transposition and notification of all Internal Market Directives.

The primary responsibility for ensuring the correct application of Internal Market rules lies with the Member States. It is in their interest to ensure that the Internal Market functions properly for the benefit of their businesses and citizens. If Internal Market rules are not applied effectively and on time, their contribution to the EU's growth and competitiveness is adversely affected.

The Internal Market Scoreboard, published by the European Commission, examines the records of Member States in ensuring that the conditions are satisfied for the Internal Market to function well. It does so by first examining how quickly and how well each of the Member States transposes Internal Market Directives into national law. These Directives and the deadlines for their transposition are agreed by Member States at EU level.

Pillar 1 - Enterprise, Innovation, Growth

Ireland achieved a transposition deficit rating for EU measures of 1.6% in the Internal Market Scoreboard for July 2005 (Scoreboard No. 14), which ranked us joint 12th. Ireland was in joint 19th position at the end of November 2005 (Scoreboard No. 14 bis), with a transposition deficit of 1.8%. Member States are required to have a deficit of no more than 1.5%.

All Departments have implemented new Guidelines on the transposition of EU legislation, which are designed to increase the speed and effectiveness of the national transposition process. Since then Ireland's transposition deficit has been reduced to 22 Directives giving a deficit rating of 1.35% as of 20 February 2006. Overall this latest Scoreboard has the lowest average deficit (1.6%) for all Member States since the Internal Market Scoreboard was initiated. In this situation the difference in transposition rates between most of the Member States is extremely small.

Solvit programme on the removal of barriers in the Single Market

SOLVIT targets cases of misapplication of EU Internal Market law by public authorities in the Member States. The Irish SOLVIT Centre is based in the Department of Enterprise, Trade & Employment and is one of 27 SOLVIT Centres, one in each Member State of the EU and European Economic Area. Citizens and businesses can contact their local SOLVIT Centre if their cross-border problem involves what they consider to be a denial of their Internal Market rights in a Member State because they believe that the authorities there are not applying the law correctly. Where a SOLVIT Centre is satisfied that a case referred to it may be one in which EU law is being misapplied, it raises the problem with its counterpart in the Member State concerned on behalf of the citizen or business affected. SOLVIT Centres in the Member States involved agree to make every possible effort to find a solution within 10 weeks or, in exceptional cases, 14 weeks.

During the course of 2005, the Irish SOLVIT Centre, in common with other SOLVIT Centres, experienced an increase in enquiries. The Centre dealt with 11 cases in 2005 of which 3 were initiated by the Irish SOLVIT Centre

and 8 by other SOLVIT Centres. In addition, as with all other Centres, the Irish Centre handled a large number of additional problems and queries raised by citizens and businesses. The Centre completed a review of the first three and a half years of its operation (July 2002 to end December 2005), which is available on the Department's website, www.entemp.ie. The Centre participated in a European Commission SOLVIT seminar in Dublin for Citizens Information Centres.

More information on SOLVIT, including the contact details of all the SOLVIT Centres, can be found at: http://europa.eu.int/solvit/site/index_en.htm.

Taiex (Technical Assistance and Information Exchange)

The TAIEX (Technical Assistance and Information Exchange) Office of the European Commission provides institution-building support in all areas of EU legislation with a view to supporting the alignment, application and enforcement of the legislation in the new Member States, the Candidate Countries, the Western Balkans and the Turkish Cypriot Community in the northern part of Cyprus.

TAIEX provides centrally managed short-term technical assistance in the field of approximation, application and enforcement of EU legislation. It responds to demand-driven requests for assistance from the Beneficiary Countries, the Commission Services and the new Member States. TAIEX assistance is provided by experts from the public sector in the Member States. The European Commission has created a database of such experts who can be quickly mobilised to respond to requests for assistance.

The number of Irish experts used by TAIEX has steadily increased - 63 in 2002, 93 in 2003 and 99 in 2004. The provisional figure for 2005 is 144. The Department of Enterprise, Trade and Employment is the National Contact Point for TAIEX in Ireland. The Department also acts as contact point for the Commission-operated assistance programmes PHARE and TACIS.⁸

⁸ These are two EU initiatives to assist the economic development of a wide group of eastern European and Asian states. PHARE covers 13 central and eastern European countries and is geared towards enabling them to comply with the EU Acquis Communautaire. It has two specific priorities, namely institution building and financing investments. The TACIS programme provides grant-financed technical assistance to 12 countries of Eastern Europe and Central Asia and mainly aims at enhancing the transition process in these countries. This Department's input to Ireland's work in the area of climate change is reported on under the Strategic Action immediately preceding the Section of the report.

Pillar 1 - Enterprise, Innovation, Growth

Sustainability & Competitiveness

Objective

To integrate sustainability and competitiveness and to ensure that the development of environment policy at national and EU level enhances competitiveness, fosters entrepreneurship and encourages innovation.

Strategic Actions

We will engage with the Department of Environment, Heritage and Local Government on discussions at EU level regarding the EU position on climate change for the post Kyoto period (2012 onwards), seeking to ensure a balanced approach which takes account of competitiveness and environmental considerations.

The Department contributed to the post 2012 policy debate at national level through participation in the Interdepartmental Climate Change Team. At EU level, the Department stimulated input by the Competitiveness Council to the Spring European Council, emphasising the importance of widening international participation in climate change and engaging in negotiations with key trading partners in advance of negotiations on post 2012 climate change policies.

We will continue to work on the implementation of the Department's Sustainable Development Strategy which aims to provide a path for enterprise to achieve sustainable development.

The Department's Sustainable Development Strategy 2003 – 2005 aims to provide a path for both the Department and enterprises to promote development which achieves a balance between the economic, social and environmental dimensions of growth. Throughout 2005 significant achievements in the four priority strategic areas were:

i) Climate Change

The first trading period (2005-2007) of the EU Emissions Trading Scheme (EU ETS) commenced on the 1st January 2005. The EU ETS is a central element in the EU's climate change strategy to meet its commitments under the Kyoto Protocol of reducing the level of carbon dioxide (CO₂)

emissions. Each Member State has to prepare a National Allocation Plan (NAP) for each of the trading periods (2005-2007 and 2008 –2012), which distributes CO₂ allowances to companies participating in the EU ETS. In 2005 the Department, through its involvement in the Interdepartmental Climate Change Team, led by the Department of Environment, Heritage and Local Government, ensured the consideration of competitiveness concerns in the context of the determination of policy for the second NAP for the 2008-2012 trading period. The Department was also involved in deliberations leading to the appointment by the Government of the National Treasury Management Agency as the purchasing agent for the State for the purchase of carbon allowances.

In 2005, the EU Commission initiated a review of the EU ETS and this Department contributed to that process through engagement in the Interdepartmental Climate Change Team and participation at the European Commission Working Group on Emissions Trading.

ii) Competitive Sustainability

The EU Environmental Technologies Action Plan (ETAP) is a joint initiative between DG Environment and DG Research (two Directorates General of the European Commission) to exploit the potential of environmental technologies in order to contribute to competitiveness and growth. The Department has been engaged, together with the Department of Environment, Heritage and Local Government, in the negotiations at the EU High Level Working Group, and is seeking to ensure that competitiveness concerns remain at the forefront of the initiative. It has also participated in the Department of Environment, Heritage and Local Government led Interdepartmental/Agency Steering Group, set up with the purpose of developing a Roadmap for Environmental Technologies in Ireland.

iii) Corporate Social Responsibility

This Department, recognising that there are business opportunities available if the positive synergies between competitiveness and environmental protection can be harnessed, continued to work with its Multi-stakeholder Working Group to implement the recommendations of the EU BEST Project aimed at promoting the uptake of Environmental Management Systems (EMSs) in Ireland. An EMS provides a pathway for a company to minimise its environmental impacts.

Pillar 1 - Enterprise, Innovation, Growth

The Department continues to work with Enterprise Ireland which is responsible for a range of initiatives designed to improve the environmental performance of Irish industry, e.g. Environmentally Superior Products, Environmental Management Systems and the *environcentre.ie* website.

The Department also participated in the judging panel of the Association of Chartered Certified Accountants (ACCA) sustainability reporting awards.

iv) Departmental Sustainability

The Department's Green Team progressed, in conjunction with our Organisation Unit, implementation of the Department's Environmental Management Plan (EMP). The EMP sets out a path for ensuring that environmental best practice is incorporated into the Department's own operations. The focus in 2005 was on extending recycling facilities to all buildings of the Department and on awareness raising activities.

A training course on Strategic Environmental Assessment was delivered to relevant officials of the development agencies in July 2005.

We will discharge our lead role in negotiations on the REACH proposals on chemicals.

We will engage in negotiations at EU level on a range of environmental initiatives which impact on industry, including initiatives on climate change⁸ and the proposals for new legislation on chemicals.

The Department developed Ireland's negotiating position on the draft EU Regulation for the Registration, Evaluation, Authorisation, and Restriction of Chemicals [REACH]. This was carried out in collaboration with an interdepartmental/interagency working group and informed by an impact assessment study carried out on behalf of Forfás and by ongoing stakeholder consultations. The negotiating position is aimed at improving the competitiveness of the EU's chemicals industry and downstream manufacturing industries, avoiding the risk of imposing a heavy burden on industry which is not imposed on its principal competitors, and ensuring the optimum benefit from a chemicals regulatory system in informing future health and environmental protection policies. Political agreement on a common position was achieved at the EU Competitiveness Council in December 2005, and it is expected that the REACH Regulation will be finally adopted by the end of 2006.

The Department progressed plans for the implementation of REACH in Ireland, with a decision by the Government in July 2005 to designate the Health and Safety Authority as the competent authority in Ireland, including agreement for an additional 44 staff when REACH is fully up and running.

In addition, the Department published S.I. 844 of 2005, European Communities (Detergents) Regulations 2005 which gives further effect to Council Regulation 648/2004 and consolidates and amends Community legislation in relation to the biodegradability of surfactants in detergents, labelling of detergents and related matters.

Small Business

Objective

To ensure that there is a favourable environment for the development and growth of small business in Ireland.

Strategic Actions

We will review the environment for small business in Ireland, with particular reference to the factors that facilitate the development and growth of businesses.

The **Small Business Forum** was established in July 2005 to consider, in broad terms, the current environment for conducting small business in Ireland and the adequacy and appropriateness of the public policy responses in the context of that environment, including the interventions of the enterprise development agencies. The Forum was asked to focus on issues particular to the small business sector where new or revised strategies would be beneficial in assisting small business to contribute to the growth of the economy.

In its composition, the Forum was representative of the many and varied stakeholders involved in small business development in Ireland – owner/managers of firms drawn from the breadth of sectors that comprise the small business cohort, small business representative organisations, academics specialising in the field, State Development Agencies and the Department itself. During 2005 the Forum published a public invitation for submissions and received more than 70 submissions from interested parties. The Forum also held a number of meetings with small businesses around the country to discuss their concerns and to identify any suggestions they might have for improvements in the environment for small

Pillar 1 - Enterprise, Innovation, Growth



Micheál Martin, T.D., Minister for Enterprise, Trade & Employment and Mr Joe Macri, Chairperson, at the establishment of the Small Business Forum

business. Almost 100 businesses were involved in these meetings.

We will ensure an ongoing open-ended and effective dialogue with the small business sector through the Small Business Round Table meetings

The Small Business Round Table met in January 2005. At this meeting, presentations were made on the Simplification and Modernisation of Company Law, and on e-Business for Small and Medium sized Enterprises. Given that the Small Business Forum included representatives of most of the organisations represented at the Round Table, it was considered appropriate to suspend any further meetings of the Round Table until the Forum had completed its work.

Public Expenditure on Enterprise Development

Objective

To closely monitor the effectiveness of public expenditure on enterprise development and the efficiency of its agencies in this regard.

Strategic Actions

We will oversee a course of elementary budgetary reviews of each agency programme.

The Department has held discussions with Enterprise Ireland who are now drawing up an action plan outlining the reviews it intends to carry out over the course of 2006 and 2007. Commencing in 2005, the Department requires performance measures to be set out in proposals for funding by Enterprise Ireland. Sanctions given by the Department to Enterprise Ireland include explicit requirements for performance measurement. This innovative development ensures that, from the start, schemes can be measured against the stated objectives. This initiative will continue as and when new proposals are received. Progress has also been made in establishing comparable key performance indicators across the enterprise development agencies.

We will respond to significant company closures by ensuring that all relevant State Agency supports are activated in a timely and co-ordinated manner that produces the most effective response by the State to such closures.

In 2005, the Department oversaw interventions by State Agencies under its aegis in response to company closures and consequent job losses. These included measures on training, re-training and skills analysis for workers, to equip them for employment opportunities in new and emerging sectors.

Pillar 1 - Enterprise, Innovation, Growth

Entrepreneurial Activity

Objective

To seek to improve the rate of entrepreneurial activity in order to enhance the start-up and competitiveness of firms.

Strategic Actions

We will support the provision of a number of high-specification, regionally-distributed industrial sites by IDA Ireland to enable it compete for and win high value projects in both the Biopharmaceutical and ICT sectors.

IDA is currently focused on identifying and developing a number of large scale sites and the supporting infrastructure in order that Ireland can attract and accommodate ICT and bio-pharma projects and continue to win further investment in strategically important sectors.

During 2005, the Government approved IDA Ireland funding for the establishment of a National Institute for Bio-processing, Research and Training (NIBRT). This is a strategic science and technology investment in a state-of-the-art, industry focused institute aimed at giving Ireland a competitive advantage in serving the global biopharmaceutical industry. It has UCD, TCD, DCU and Sligo IT as foundation members and will be based at the UCD Industry Park in Dublin.

Recent announcements by companies, such as Google and Wyeth Research, and financial firms such as BISYS (in Waterford), IFS (Drogheda), AXA (Athlone) and PFPC (Wexford and Navan) indicate that Ireland has established itself as a high performance, high value location for investors from the Biopharmaceutical and ICT sectors.

We will support the industrial development agencies in the delivery of programmes to assist the enterprise sector to grow and develop through financial supports, managerial capability building programmes and actions to promote entrepreneurship and an enterprise culture throughout the economy.

Local Enterprise

During 2005 a total of €17.7m of capital expenditure was made available by the Department to the 35 County and City Enterprise Boards (CEBs) for the support and development of micro-enterprises. Of this, over €10.8m related to expenditure on financial support for projects in the form of Capital Grants, Employment Grants and



Michael Ahern, T.D., Minister for Trade & Commerce at the formation of the National Standards Authority of Ireland Committee on Goalpost Safety.

Feasibility Study Grants. About a third of this support was issued in a repayable form. The remaining allocation of €6.9m was available for the delivery of "soft support" measures to the micro-enterprise sector such as business advice and information, management training and development, e-Commerce training, enterprise education, mentoring and the promotion of enterprise amongst women.

Grants totalling €12.5m to the micro-enterprise sector were approved, while grant payments totalled over €10.8m. A total of 948 projects were approved for financial assistance, while over 2,000 net jobs were created in CEB assisted enterprises. Over 17,000 people participated on the Management Development and Training programmes offered by the CEBs.

At present the exchequer funding for the CEBs is co-financed under the 2000-2006 National Development Plan by contributions from the European Regional Development Fund. During 2005, Minister Martin confirmed that it was his intention that an appropriate level of funding for the CEBs would continue to be maintained for the foreseeable future (though the exact amount to be provided each year in respect of the CEBs would, of course, have to be determined in the context of the budgetary constraints pertaining at the time). This decision underlines the ongoing commitment of this Department to the delivery of programmes to assist the micro-enterprise sector to grow and develop further.

Pillar 1 - Enterprise, Innovation, Growth

IDA Ireland

In 2005 a total of €126.6m was paid to IDA Ireland from the Exchequer to subvent their pay and administration, grants to industry and the property programme costs. The Agency generated own resource income of €48.5m from sale of industrial property, property rents, grant refunds, sale and leasing of telecommunications capacity and a small amount of investment income.

In terms of the range and quality of new investments, the development of research capability and capacity and job creation, 2005 was the best year since 2000. The nature and the quality of investments have noticeably changed in the last year. Ireland is now firmly placed on the world map as a knowledge economy and the challenge for the future is to make sure we continue to attract sufficient quantities of investments that are innovation-driven, technologically advanced and with the highest calibre of employment creation that will enable our economy to continue to grow.

During 2005 there was a net increase of 4,296 jobs (or 3%) in the year in the number of permanent jobs in IDA-backed companies. Employment in manufacturing increased by over 1,500, confirming the continuing importance of manufacturing in Ireland. Over 50% of the jobs created required third-level qualification across all disciplines from IT, financial services, and web design to software engineers, biotechnologists and physicists.

Some 50 R&D investment projects were supported by IDA Ireland involving a total investment by business in excess of €260m – a record in number and value, and an 85% increase in value from 2004. The Government approved IDA Ireland funding for the establishment of a National Institute for Bioprocessing, Research and Training (NIBRT). Multinational companies made regional locations their preference as 46 out of the total of 71 investments located outside Dublin, reflecting IDA's continued drive for regional balance.

Enterprise Ireland

In 2005, a total of €92m was paid to Enterprise Ireland from the Exchequer for its pay, administration and maintenance costs. During the year, Enterprise Ireland spent a total of €66m on supporting enterprise development, of which some €20m was generated by the agency from own resource income arising from factory/office rents, repayments of grants, sale of investments etc.

During 2005 the Department agreed a number of schemes with Enterprise Ireland in support of the Agency's strategy, including an extension to the Community Enterprise Centre

Scheme, a pilot scheme to increase Sales Capability and a pilot scheme supporting the development of Industry Led Networks. The Department also facilitated organisational changes within Enterprise Ireland to assist it in achieving its mission e.g. a voluntary leaving programme, enabling recruitment of new skills.

Landlord and Tenant (Ground Rents) Act 2005

The Act was introduced to protect the State's interest by addressing a problem that had arisen for the industrial development agencies, IDA Ireland, Shannon Development and Udarás na Gaeltachta.

The purpose of the legislation was to ensure the ability of the agencies to control the activities on their industrial estates would not be undermined, the State's assets would not be used for the purposes other than that of the agencies' industrial development mandates, and to protect the ability of the agencies to enforce other covenants and requirements in accordance with, and in furtherance of, their statutory briefs

We will seek to maximise returns from the European Regional Development Fund by monitoring the financial and physical implementation of the Productive Sector Operational Programme

The Department is the Managing Authority for the Productive Sector OP, which provides for investment of €4.5b in areas covering Research, Technological Development and Innovation (RTDI), as well as Indigenous and Foreign Investment. Ongoing monitoring and management of the programme takes place throughout the year, and two Monitoring Committee meetings are held annually.

The EU Commission formally accepted the 2004 Annual Implementation Report of the Monitoring Committee in September 2005. As required under EU regulations, an Update Evaluation of EU co-funded elements of the programme was undertaken during 2005. The evaluation found that there had been substantial progress across all co-financed measures in 2003 and 2004, with the exception of one fisheries measure. The report noted that spend in the BMW region continued to lag behind targets, but commented that physical progress is closer to target.

At the Spring Monitoring Committee meeting, the Monitoring Committee agreed to the de-commitment of some €102m from the programme. This included approximately €30m of EU assistance (€28m European Regional Development Fund and €2m Financial Instrument for Fisheries Guidance), as well as associated private and

Pillar 1 - Enterprise, Innovation, Growth

national government funding. These funds were transferred to the Regional Operational Programmes, thus ensuring that there would be no loss of EU funding to Ireland. The bulk of the funding was moved from the RTDI Industry measure in the BMW region, as it became clear that the region did not have the capacity to absorb the projected spend, because of the relatively low concentration of industry and third-level institutions in the region.

We will seek to ensure active Irish participation in the Multi-annual Programme for Enterprise and Entrepreneurship 2001-2005 and its successor

The Multiannual Programme for Enterprise and Entrepreneurship (MPEE) 2001 - 2005 is a framework plan of activities which aim at:

- ▶ enhancing the growth and competitiveness of business in a knowledge-based internationalised economy;
- ▶ promoting entrepreneurship;
- ▶ simplifying and improving the administrative and regulatory framework for business so that research, innovation and business creation in particular can flourish;
- ▶ improving the financial environment for business, especially Small and Medium Enterprises (SMEs);
- ▶ giving business easier access to community support services, programmes and networks and improving the coordination of these facilities.

The Department continued to be active during the year on the Enterprise Programme Monitoring Committee which manages the MPEE 2001 – 2005 and supported the extension of the programme until 2006. The Committee approved a work programme that included a number of Best Practice projects such as:

- ▶ Simplified tax compliance procedures for SMEs
- ▶ Expert Group on Business Incubators
- ▶ Stigma of Failure and Early Warning Tools
- ▶ Benchmarking regional and national support for SMEs in Intellectual Property
- ▶ Mainstreaming Corporate Social Responsibility amongst SMEs
- ▶ Social coverage for new entrepreneurs

The Department also arranged Irish participation in these projects.

Use of ICT by Small & Medium Enterprises

Objective

To encourage greater and more effective usage of ICTs by SMEs across all sectors of the economy

Strategic Action

Over the period of this strategy, we will roll out the eBusiness strategy, which was launched by the Department in December 2004. The implementation of this work programme will be overseen by a cross Divisional / Agency Working Group.

The National eBusiness Strategy was launched on 30 December 2004. The Strategy contains a series of recommendations to help overcome obstacles to more effective usage of ICTs by SMEs and micro-enterprises and to stimulate optimum usage. An Inter-Departmental/Agency Working Group was established to oversee implementation of these recommendations and considerable progress has been made to date. A detailed progress report on the implementation of the strategy is to be provided by the end of March, 2006, with further progress on the Strategy to be made during 2006.

Regional Development & Development Agencies

Objective

To ensure that the enterprise development agencies' strategies are making a clear and verifiable contribution towards balanced regional development.

Strategic Action

We will require the enterprise development agencies to conduct a full review of their regional development strategies and we will work with the agencies in addressing the findings of the reviews.

Enterprise Ireland finalised a draft review of its Regional Strategy and was to submit it to the Department early in 2006. Furthermore, in 2005, the Department worked with Enterprise Ireland to develop a clear and integrated new

Pillar 1 - Enterprise, Innovation, Growth

regional strategy. The Department will consider the draft strategy, taking into account the priorities under the National Spatial Strategy (NSS) and any likely factors to arise in the context of a new national development plan, during 2006.

During 2005 IDA Ireland conducted a fundamental review of its overall strategy. The strategy review has not resulted in any major changes to the organisation's regional strategy but proposed a number of significant changes to the structure of the organisation, with the result that the regional development agenda is now core to IDA's mission and reflects the objectives of Government policy as expressed through the NSS and the principles of equity and efficiency.

In accordance with the new mandate for Shannon Development, the Company will now place increased emphasis on the regional economic development aspects of its remit, with special emphasis on the needs of the less-developed parts of the Mid West region. Shannon Development will also continue to work closely with IDA Ireland and Enterprise Ireland through the provision of industrial property solutions for both foreign and Irish owned industry throughout the region.

Promoting investment in Research & Development

Objective

To develop and implement policies to achieve the targets in Building Ireland's Knowledge Economy, the Irish Action Plan for Promoting Investment in R&D to 2010. The overall goal is that enhanced performance in business, higher education and public sector R&D should result in gross expenditure on R&D increasing to 2.5% of GNP by 2010.

Strategic Action

We will develop and utilise, to best advantage, the structures and mechanisms for coordinating and implementing national policy for Science, Technology and Innovation in Ireland.

The new Coordination and Governance System for Science, Technology and Innovation (STI), decided on by Government in June 2004, became fully operational during 2005. This strategic framework ensured synergy, coherence

and more structured policy coordination in this complex and evolving environment. The new structural arrangements include a dedicated Cabinet Sub-committee, supported by an Interdepartmental Committee (IDC) of senior officials, both chaired by this Department. The Cabinet Sub-committee met in February and June 2005 under the Chairmanship of Minister Micheal Martin, and the IDC met regularly throughout the year.

The Office of the Chief Science Adviser (CSA) was established and the first year's work programme was agreed by the Cabinet Sub-committee in February 2005. This included a SWOT Analysis of Ireland as a Knowledge Economy, which was completed in March 2005. (The post became vacant in November 2005, following the resignation of the CSA.)

The new 12-member Advisory Science Council succeeded the Irish Council for Science, Technology & Innovation (ICSTI), as a stakeholders' advisory forum in May 2005 and began to develop its initial work programme, in conjunction with the IDC.

'Building Ireland's Knowledge Economy - the Irish Action Plan for promoting Investment in R&D to 2010' - set out a vision for Ireland as becoming "internationally renowned for the excellence of its research and at the forefront in generating and using new knowledge for economic and social progress, within an innovation driven culture." To realise this vision, to 2010 and beyond, and to work towards these ambitious targets, a whole-of-government, strategic approach is required. In February 2005, the Cabinet Sub-committee on STI tasked the IDC with producing a Strategy on STI to 2013 and this formed a major part of the IDC's work programme in 2005, carrying forward into 2006.

We will work with Enterprise Ireland and IDA Ireland to review, and adapt where necessary, the programmes of Enterprise Ireland and IDA Ireland which are aimed at strengthening the R&D capability of their client companies, developing R&D collaboration among these companies and between the companies and higher education and public sector R&D bodies, and facilitating the commercialisation of research emanating from these sources.

An Expenditure Review of the R&D schemes of Enterprise Ireland (EI) and IDA Ireland, carried out in 2005 under the Department of Finance Expenditure Review process, was finalised in early 2006. The review is largely based on three independent evaluations which were carried out under the auspices of Forfás in relation to the various grant schemes providing supports to firms, as well as the grants scheme

Pillar 1 - Enterprise, Innovation, Growth

which funds research collaboration between industry and the research institutions.

Some of the recommendations arising from this review and from the Enterprise Strategy Group report have already been implemented. Actions have been taken in order to update the programmes to build collaborative networks between firms, colleges and institutes. A stronger focus has been applied to schemes to commercialise the results of publicly funded research. In this process, EI's Programmes in Advanced Technology have been extensively re-organised and the focus of operations is now on research carried out by the third level colleges and research organisations rather than by staff employed by EI.

Under the Collaboration heading EI's Innovation Partnership scheme, which supports research projects carried out jointly by a research body and an individual firm, has been augmented by the Industry-led Networks scheme which commissions research from research bodies on the basis of an agenda developed by Industry representatives. The Applied Research Enhancement scheme, intended to strengthen the research capability of Institutes of Technology (IoTs), has been initiated. The Networking Initiatives in place to link the research operations of the various colleges have been strengthened.

It is important that collaborative research between industry and academia does not remain as published research but is taken forward to the product development and production stages. Measures to achieve this were very significantly strengthened and added to in 2005. A National Code of Practice on the commercialisation of intellectual property, arising from 100% publicly funded research, is in place and a separate Code of Practice was published in 2005 on the commercialisation of intellectual property arising from research jointly funded by the public and private sectors. EI now spends approximately €1.2m per year on its Intellectual Property Fund which assists academics and companies to obtain and protect intellectual property rights. EI has developed a Commercialisation Fund (budget €21.04m in 2005) to support academics in taking research forward to commercialisation. A programme to build an Incubation Unit at each IoT, which will house new research-active small companies including those based on research at the Institute concerned, is nearing completion.

Other recommendations arising from the evaluations and from the Enterprise Strategy Group report will be addressed in the upcoming Strategy on STI. This will include, in particular, measures to strengthen the schemes on grants towards R&D carried out in firms, to strengthen the liaison/commercialisation offices of third level colleges, and to develop Competence Centres.

We will oversee and evaluate Science Foundation Ireland in its deployment of significant resources aimed at building the research capacity and excellence required to underpin competitiveness into the future.

Science Foundation Ireland (SFI) was established in 2000 with the long-term objective of creating a highly visible critical mass of world-class research excellence in the strategic areas relevant to economic development, particularly Biotechnology and Information and Communications Technologies.

To accomplish its mission, SFI awards grants based upon international peer review of proposals from researchers. In 2005, SFI funded 394 awards - over €121.7m - to 18 third level institutions throughout the country. By end 2005, SFI had committed in excess of €550m across more than 830 projects to support more than 1,200 individuals, research teams, centres and visiting researchers in creating the knowledge and driving the discoveries to underpin future competitiveness in key industries.

The Department requested Forfás to conduct an external evaluation of SFI during 2005 and this was undertaken by a review panel of internationally distinguished scientists and engineers chaired by Professor Richard Brook, Director of the Leverhulme Trust in London.

This Evaluation Report - "Science Foundation Ireland - The First Years 2001-2005" - was launched in December 2005. While the Panel indicate in the report that it is early in the life of SFI to assess the long-term cultural and economic impact of the research it supports, overall it endorses the establishment and strategic direction of SFI. The Panel found that SFI has been a positive driving force for change in the Irish research system in recent years and that impressive progress towards developing a world-class capability in biotechnology and ICT has been achieved in a short time. The report provides strong confirmation both of the need for SFI and of the contribution it has made, and continues to make, to strengthening our national research system, which is a fundamental building block for the knowledge economy to which we aspire.

Pillar 1 - Enterprise, Innovation, Growth

We will improve the level of awareness of science among young people, and the public generally, through the recently established integrated awareness programme, Discover Science & Engineering, and continue to monitor and support the progress of Exploration Station, the interactive science and learning centre due to open in 2006.

Discover Science & Engineering Awareness Programmes

Discover Science & Engineering (DSE) is the integrated awareness programme that aims to further public awareness of science and the attractiveness of science as a career. Specifically the programme is working to address the declining numbers of students choosing science subjects at second and third level, a trend which, if left unchecked, will have a substantial impact on Ireland's ability to continue to make the transition to a knowledge-based economy.

The programme is managed by Forfás on behalf of the Office of Science and Technology. It was developed in association with the Department of Education and Science, FÁS and the Institution of Engineers of Ireland in consultation with many groups involved in science promotion nationwide. The programme had a budget allocation for 2005 of €2.5m, of which €0.5m was allocated as an addition specifically for Discover Primary Science. The major initiatives undertaken in 2005 were:

I. Discover Science Week

The most successful Science Week Ireland yet was held in November 2005, with over 350 exhibits/projects nationwide.

II. Discover Primary Science

In 2005 the Discover Primary Science programme was expanded to cover over 560 schools nationwide and approximately 16,000 pupils. This programme aims to encourage a greater interest, and consequent uptake of careers, in science among primary school children and aims to reach all schools by the end of 2007.

III. Scope TV Series

A second series of the successful science awareness television programme - Scope - aimed at 15-19 year olds was broadcast in 2005 and a third is planned for 2006.

IV. STAR

The SFI "Secondary Teacher Assistant Researchers" (STAR) programme (in association with the Irish Science Teachers' Association (ISTA), this Department and the Department of Education and Science, which aims to help teachers to renew their interest in science as researchers and enhance the teaching of science across the educational system was run again in 2005.

V. Exploration Station

In December 2003 the Tánaiste announced the building of an Interactive Centre for Learning - Exploration Station - to be located in Heuston Gate, subject to the usual planning conditions. The exhibits and programmes of the centre are closely linked to the national curriculum and the director of Discover Science & Engineering has been appointed to the Board. The centre will be designed and run by the Irish Children's Museum Ltd., a not-for-profit company set up to develop a world class interactive science facility. Preparations for the launch of Exploration Station continued in 2005.

VI. Sponsorship

Other initiatives undertaken by Discover Science Engineering included an ambitious sponsorship programme of science awareness activities throughout the country. These included the commemorative Hamilton Year of Physics, in conjunction with the Royal Irish Academy and the British Association Festival of Science, held in Trinity College, Dublin, in 2005, which enjoyed record attendances.

We will work to ensure that Ireland maximises its participation and drawdown under the current Sixth Framework Programme (FP6) 2002 – 2006 and to ensure that our priorities are reflected in the design of the Seventh Framework Programme, which will run from 2007.

The Sixth Framework Programme (FP6) spans the four-year period 2003 to 2006, with an emphasis on delivering on the Lisbon and Barcelona objectives of creating a European Research Area and on raising EU research efforts to 3% of EU GDP. Irish researchers and institutions have been successful in securing approximately €160m for the proposals approved to January 2006. With one year of the programme to go, this exceeds the total drawdown from the

Pillar 1 - Enterprise, Innovation, Growth

Fifth Framework Programme (FP5) - (€148 m).

The Department has put in place a comprehensive national support structure to inform and support potential participants in FP6. In this context, efforts are being intensified to bring about greater participation by industry in the current and next Framework Programme.

Ireland has intervened early in the design of The Seventh Framework Programme (FP7) (2007 - 2013). Our overall aim in the negotiations is to ensure that the priorities to be funded under the Programme, and the rules governing participation, are such as to facilitate the maximum level of Irish participation in the Programme. In general terms, we are satisfied that many of the priorities put forward by Ireland in our national position paper were reflected in the Commission's April 2005 proposal. Ireland has also submitted papers in support of greater industry participation and in particular by the Small & Medium Enterprise (SME) sector, and on the thematic areas to be funded under the programme, which is due to commence in 2007.

We will pursue initiatives to provide assistance to mobile researchers and to introduce fast track procedures to improve the entry conditions for third country (non European Economic Area) researchers and their families.

Removing obstacles to the mobility of researchers has been identified as a priority for Ireland. Ireland's national mobility centre and mobility portal was further developed during the year and now provides a one-stop shop for researchers seeking to advance their careers by moving to, or from, Ireland. The Mobility Centre and Portal, which is funded by the EU, the Department of Enterprise, Trade & Employment and the Irish Universities Association, provides assistance to researchers wishing to pursue careers in both academia and industry.

During the latter part of 2005 the Department worked closely with the Department of Justice, Equality & Law Reform and the Department of Education and Science on the arrangements for implementing the EU Directive and accompanying proposals concerning the entry conditions for third country researchers and their family members.

From 31 January 2006, a Department fast-track arrangement for work permits has been extended to all researchers in research-active organisations (including those to be employed in industry) who are being supported by public funding - national, EU or international.

We will assess, develop and implement policy in relation to Ireland's involvement in space-related Science, Technology and Innovation, in the context of our membership of the European Space Agency (ESA), and the growing linkages between the European Union and ESA.

Ireland has been a member of the European Space Agency (ESA) since 1980. The current strategy being pursued by Ireland in relation to ESA is to support participation in ESA Programmes by innovative Irish technology firms by:

- ▶ Supporting in-house research and development and associated intellectual property within Irish companies;
- ▶ Utilising ESA participation in order to position Irish companies in space and aerospace global markets;
- ▶ Fostering technology innovation and technology transfer to non space markets;
- ▶ Supporting industrial relevant strategic research within the 3rd level sector.

The Irish industrial base involved in ESA programmes has continuously evolved in line with Irish industrial capabilities, with 60 Irish companies having secured ESA contracts to date. In addition, spin off commercial business directly attributable to ESA technologies is estimated at €20m per year in 2005 and is still growing. Nine university research teams are currently active in ESA programmes in a range of scientific areas such as life sciences, advanced materials and astrophysics.

Two Councils of Ministers meetings took place in the latter part of 2005, at which Space was the central agenda item. At the Space Councils the Minister confirmed that Ireland would be joining the ESA Earth Observation Envelope Programme (EOEP) in 2008, and the ESA Future Launchers Preparatory Programme (FLPP). Ireland also confirmed that it would be increasing its contribution to ESA's General Support Technology Programme (GSTP), including "Newpro" and the Life and Physical Sciences programme (ELIPS). These financial commitments are in line with Ireland's Strategic approach to ESA membership.

Pillar 1 - Enterprise, Innovation, Growth

Intellectual Property

Objective

To ensure that our intellectual property legislative framework reflects developments in intellectual property practice and obligations arising from EU and international agreements.

Strategic Action

Recognising the importance of a modern intellectual property framework as a source of competitive advantage, we will ensure that intellectual property legislation remains up to date and in compliance with our international obligations.

The Department's commitment to maintaining Ireland's intellectual property legislation in the first rank internationally was reflected in the expansion and re-activation of the Patents (Amendment) Bill, and the commencement of drafting of the proposed Intellectual Property (Miscellaneous Provisions) Bill.

The Patents (Amendment) Bill will pave the way for Ireland to accede to the European Patent Convention (as revised) and to the Patent Law Treaty. It will also bring certain provisions of the Patents Act, 1992 into line with the Agreement on Trade related aspects of Intellectual Property (TRIPs). It is intended that the legislation be enacted during 2006.

The proposed Intellectual Property (Miscellaneous Provisions) Bill will transpose aspects of three European Community Directives into Irish law: a Public Lending Right (PLR) payments system for authors whose works are lent by Irish public libraries as required by the EC Rental and Lending Directive; an Artists' Resale Right (ARR) payments system for artists whose original works are resold through the art trade as required by the EC Artists' Resale Right Directive; and transposition of the EC Directive on the Enforcement of Intellectual Property. It is intended to publish this Bill in the course of 2006 with a view to enactment by year-end.

Pillar 2

Quality Work and Learning



Pillar 2 - Quality Work and Learning

Lifelong Learning

Objective

To make Lifelong Learning a reality for increasing numbers of people in the Labour Force.

Strategic Action

We will interact with other Departments, agencies and groups to develop and implement lifelong learning initiatives that will provide learning opportunities for people in the labour force.

The Department continued to liaise with other organisations in order to foster lifelong learning initiatives and continued progress was made by the Department and the Department of Education and Science in implementing the recommendations of the Report of the Taskforce on Lifelong Learning. The key achievement in 2005 was the significant increases in support for training the employed, in particular the announcement in March of a new 5 year mandate for the enterprise-led training body Skillnets Ltd., the launch of the first call for proposals under the Accel Programme with over €9m committed to approved projects in 2005, and the launch in September of FAS's One Step Up initiative, with an annual budget of over €35m, which also includes a dedicated provision for basic skills training in literacy and numeracy.

In addition, during 2005 senior officials in the Departments of Enterprise, Trade and Employment and Education and Science commenced a review that will draw up a baseline for policy and support developments relating to lifelong learning. This will also examine mechanisms for implementation of initiatives to support lifelong learning in the future.

The Department also commenced work during 2005, in cooperation with Forfás and FÁS, on developing a National Skills Strategy. This Strategy will cover the period to 2020 and is due to be completed by the end of 2006.

In-Company Training

Objective

To expand the level of engagement and investment in In-Company Training, particularly activity targeting low skilled workers.

Strategic Actions

We will directly administer a training initiative to address In-Company Training through a public Call for Proposals and we will facilitate the implementation of additional training initiatives in this area by FÁS, utilising European Social Fund (ESF) and National Training Fund (NTF) monies.

We will work with other Departments, agencies and groups to ensure that training policy development includes the employability needs of lower skilled workers and we will ensure that FÁS and Skillnets continue to develop programmes which are focussed on lower skilled workers.

The Department secured significant additional allocations in 2005 for investment in the training of the employed. During the year, the Minister launched FÁS's One-Step-Up Initiative with an annual budget of over €35m.

This One Step Up Initiative allowed FÁS expand their existing training supports for the employed, which had a budget of less than €9m in 2004, and launch the Strategic Alliance Programme. This latter programme saw FÁS commit nearly €20m for investment over 2005-2006 in 20 training alliances that will benefit over 19,000 trainees. FÁS will launch a further call for proposals in 2006 under this initiative.

The Initiative also included a €2m allocation to launch the Workplace Basic Education Fund to support the development of basis skills, particularly literacy and numeracy.

A Public Call for Proposals for In-Company Training was launched by the Minister on 13 October 2005. ACCEL – Accelerating in-company skills- is managed by Skillnets Services Limited and applies to training undertaken by groups (including enterprise groupings) outside the public service. The new programme covers a two- year period and is funded from the European Social Fund, with advance funding from the National Training Fund. Total funding of €16m is envisaged. Over €9m was committed to approved projects on foot of the October 2005 Call for Proposals.

Pillar 2 - Quality Work and Learning

The Training Networks Programme – TNP- continues to support and fund enterprise-led networks training. Operated and delivered by Skillnets Limited, a training support company representative of employees and employers in partnership with the Department of Enterprise, Trade & Employment. The TNP budget for the period to 2010 is over €50m, subject to approval in the annual budgetary process. The 2006 budget is €85m, a one million increase on the 2005 level. Skillnets, in delivering the TNP, is required to spend at least 80% of the budget on direct support to training networks. This requirement is being met with over €6m being spent in direct supports for enterprise-led networks in 2005.

Training and Supports For People with Disabilities

Objective

To enhance training and employment supports for people with disabilities.

Strategic Actions:

We will develop and rollout with FÁS a new scheme to help people with disabilities to take up full-time employment (Full Time Employment Support Scheme).

The new Wage Subsidy Scheme (WSS) was launched by the Minister for Enterprise, Trade and Employment on 19th July 2005 and rollout by FÁS commenced at the beginning of September 2005.

The total budget for the new Scheme in 2005 was €10m, comprising €5m from the Employment Support Scheme (ESS) and the Pilot Programme for the Employment of People with Disabilities (PEP) and an additional €5m. The PEP has been subsumed into the new Scheme.

The WSS aims to increase the numbers of persons with a disability in employment by creating, as far as practicable, a level playing field for them in seeking out, or remaining in, employment. The WSS provides financial incentives to employers, outside the public sector, to employ disabled people who work more than 20 hours per week. The subsidies are structured under three separate strands, and employers can benefit under one, or all, simultaneously. Eligible employees can benefit from the Department of Social and Family Affairs' Back to Work Allowance Scheme, which allows the retention of a percentage of their social welfare payment, and the medical card, for three years.

Employees on the WSS are subject to the same conditions of employment as other employees, including PRSI, annual leave, tax deductions and the going rate for the job.

At the end of 2005 the total number of participants on the WSS was 642, consisting mostly of ESS and the former PEP participants. A target of 200 new participants on the scheme has been set by FÁS for 2006.

We will engage with key stakeholders in the development of a Sectoral Plan for the Department, as set out in the Disability Bill 2004.

Under the Disability Act 2005, Sectoral Plans prepared by six Ministers of Government, including the Minister for Enterprise, Trade and Employment, must be presented to the Oireachtas by the end of July 2006. The Plans will come into effect after a resolution is passed by each House.

The key focus of the Outline Sectoral Plan published by the Department of Enterprise, Trade and Employment is to facilitate and improve access to vocational training and employment opportunities for people with disabilities, in the belief that employment offers the best means for them to participate fully in the cultural and economic life of the country.

In 2005 the Department participated in a nationwide series of public consultation meetings on the six Outline Sectoral Plans published by Government Departments, which were arranged by the National Disability Authority (NDA) and advertised in the national, regional and local media. The briefings were attended by members of the general public, people with disabilities, carers, advocates, family friends and service providers. The purpose of these briefings was to consult relevant interest groups, provide information on the Outline Sectoral Plans, and to invite interest groups to make an input into their further development prior to presentation to the Oireachtas.

In 2005 consultations on the development of the Department's Outline Sectoral Plan were also initiated with key stakeholders including the NDA, the FÁS National Advisory Committee on Disability, and the Disability Legislation Consultative Group.

We will explore the scope for promoting increased employers' awareness of people with a disability as a labour market resource.

Funding for disability support and awareness raising to assist in the integration of people with a disability into the

Pillar 2 - Quality Work and Learning

workforce continued to be provided in 2005 by the Department through the FÁS budget.

Vocational Education and Training at EU level

Objective

To contribute, in co-operation with the Department of Education and Science, to the development of EU policy to ensure that vocational education and training makes a greater and more effective contribution to the Lisbon agenda.

Strategic Actions

We will work to give effect to the recommendations contained in the December 2004 Maastricht Communiqué on Vocational Education and Training.

We will support initiatives to increase the mobility of the EU labour force through the development of a new European Qualifications Framework and other transparency and mobility measures.

The Maastricht Communiqué, adopted by the EU Council of Ministers in December 2004, highlighted the importance of modernising and providing quality assurance for vocational and educational training. It also stressed the importance of offering vulnerable groups the qualifications and competencies needed to fully integrate into the emerging knowledge based society.

Notable achievements in 2005 included:

- ▶ The placing of further education awards onto the National Qualifications Framework.
- ▶ Work carried out by FÁS, in conjunction with its National Apprenticeship Advisory Committee, to further develop the apprenticeship system so that it effectively meets the needs of enterprises and enhances workers skills. There was a continuing increase in the numbers training as apprentices with a throughput of 17,748 persons in the year to December 2005.
- ▶ Substantial increases in funding for training (over 20%), particularly for training those in employment (28%).

Support for the Unemployed

Objective

To attract and facilitate the entry of the unemployed and inactive into the labour market through the provision of a range of programmes and services.

Strategic Actions

The Preventive Strategy, whereby FÁS engages with the unemployed, will continue to be implemented. We will consider the recommendations of the recent review of this strategy with a view to improving the effectiveness of the process.

The Preventive Strategy provides a systematic engagement of Employment Services staff with the unemployed. The focus is on early intervention with persons referred to FÁS by the Department of Social and Family Affairs for the purpose of assisting their integration into the labour market and to provide, where appropriate, the necessary skills to improve their employability.

During 2005 40,718 persons were referred to FÁS. Of these 28,714 were interviewed and 6,804 were placed in jobs or training programmes. 9,139 persons (22%) did not attend for interview. The figures for 2004 were 52,328 referrals, with 35,136 interviewed and 9,718 placements. Of the 7,316 long-term unemployed who were referred during 2005, 1,136 were placed in jobs or programmes, and a further 984 are receiving ongoing support.

In order to assess the value and effectiveness of the process a review was carried out. The purpose of this evaluation was to ascertain, in a more detailed and substantive way, the outcomes for participants in the process. The examination of the range and types of training, the quality of employment, and its sustainability for those who have passed through the process to date, will assist the Department in formulating policies which are more focussed on the needs of the unemployed against a background of low unemployment figures and an increasingly tight labour market. The report of the Review was finalised in November 2005. The report, currently under examination in the Department, is available on the Department's website at www.entemp.ie/labour/services/neapstrategy.htm.

Pillar 2 - Quality Work and Learning

We will continue to provide a range of employment and training programmes to enable participants to progress into employment.

FÁS provides a series of services for those seeking employment. The main employment schemes are Community Employment, Job Initiative and Social Economy, which provide opportunities for work and/or training within local communities. In 2005 there were 25,000 places overall on these schemes. FÁS provides a placement and career guidance service and has self-service access to a wide range of job vacancies, including opportunities in other EU Member States and the European Economic Area.

In 2005 FÁS extended the pilot scheme, Expanding the Workforce, for women seeking to return to work and the scheme will be provided nationally in 2006. In addition to training participants in specific skills, FÁS also seeks to influence and support employers to improve work practices to facilitate the employment of women returning to the workforce and to continue training employees on-the-job.

A Sub-Group on the Delivery of Employment and Training to Members of the Travelling Community was convened in May 2005. The group, chaired by the Department of Enterprise, Trade and Employment, has a remit to develop an Employment and Training Plan for Travellers in order to generate activity in this area and encourage greater co-operation among the relevant statutory agencies in the implementation of the initiatives arising from the Plan. The Group met in June and November 2005. Following a recommendation from the High Level Action Group of Senior Officials, that Government Departments should consider work placements for Travellers, FÁS and Department of Finance agreed to meet with the Public Appointments Service to progress this agenda.

European Employment Strategy

Objective

To participate in the next phase of the European Employment Strategy, which will be reflected in the National Reform Programme, with particular emphasis on the creation of employment and the development of a skilled and adaptable workforce.

Strategic Action

We will contribute at EU level to the work of the Employment, Social Policy, Health and Consumer Affairs (ESPHCA) Council and other relevant groups, including the Employment Committee, to ensure that EU policies reflect the Department's goals and objectives. National Employment Action Plans will be completed on an annual basis and submitted to the European Commission as part of the reporting arrangements on the Lisbon Agenda.

Following the mid-term review of the Lisbon Agenda a revised 3-year strategy, focusing on growth and jobs, was launched at the European Council in March 2005. As part of this new approach Member States agreed to draw up National Reform Programmes (NRPs) based on an Integrated Guidelines Package (incorporating macroeconomic, microeconomic and employment guidelines). In drawing up their NRP, Member States focus on policies appropriate to their own specific needs and circumstances. The Irish NRP sets out a range of actions to achieve economic and employment growth over the period 2005-2008. The key issues outlined in the NRP are competitiveness, research and development, lifelong learning and more and better jobs.

As regards the labour market, the focus is on two major challenges in particular:

- ▶ Ensuring an adequate labour supply by facilitating greater participation in the workforce by the unemployed, inactive and economic migrants;
- ▶ Maintaining a strong focus on education and training, including lifelong learning.

The NRP was submitted to the European Commission in October 2005, and the Commission's assessment of Member States' NRPs was contained in the first Annual Progress Report, published in January 2006. The Commission's view is that the NRP identifies, and responds to, most of the main challenges facing Ireland and takes an integrated and ambitious approach to further reinforcing the factors which have underpinned Ireland's recent economic success. The emphasis on policies to integrate inactive people into the labour market, increase female participation and address skills development is strongly endorsed by the Commission. Research and Development and Pensions Coverage are identified as key areas for continued development.

Under the Lisbon Agenda a number of employment targets for 2010 are in place at EU level: an overall employment rate of 70%; a female employment rate of 60%; and an employment rate of 50% for persons aged 55-64. Ireland continues to make progress in relation to these targets with

Pillar 2 - Quality Work and Learning

an overall employment rate of 67.8%, a female employment rate of 58.4% and an employment rate of 51.2% for older workers (aged 55-64) at the end of 2005.

Skilled Labour from outside the European Economic Area (EEA)

Objective

To implement a policy of providing a range of instruments to facilitate the recruitment of skilled labour force personnel from outside the European Economic Area, where the skills needs in question cannot otherwise be met by normal recruitment or by training.

Strategic Action

We will implement the provisions of the Employment Permits Bill, which is due to be enacted in 2005, to put the Employment Permit regime on a comprehensive and sound statutory footing. We will publish a policy paper on Ireland's specific skills needs post EU enlargement, taking account of the migration flows from the new Member States.

Ireland opened its labour market to the nationals of the 10 new Member States of the EU on 1st May 2004. Since then nationals of the 25 EU Member States and the wider European Economic Area⁹ and Switzerland are free to come to Ireland to work without restriction. Non-EEA nationals require permission to work in the State and must secure an employment permit, administered by this Department, for this purpose.

The Employment Permits Bill 2005 was published in June 2005. It has two key objectives:

- ▶ it establishes a statutory framework within which to implement an active, managed economic migration policy; and
- ▶ it provides a number of important new protections for migrant workers in Ireland.

Details of the new policy on skills migration were announced on 12 October 2005 at the commencement in the Dáil of the 2nd Stage debate on the Employment Permits Bill 2005. The 2nd Stage concluded on 10 November 2005. The Committee Stage¹⁰, which will take place under the auspices of the Oireachtas Committee on Enterprise and Small Business, is expected to commence in March 2006.

The new arrangements, the core of which will be a job offer, comprise:

- ▶ a Green Card for occupations where there are skills shortages, which will be for a restricted list of occupations in the annual salary range from €30,000 to €60,000 and for a more extensive list of occupations in the annual salary range above €60,000. Green Cards will be issued for two years initially, and normally for permanent or long-term residence after that. There can be immediate family reunification and spouses will be allowed to work.
- ▶ a re-established Intra-Company transfer scheme for temporary trans-national management transfers;
- ▶ work permits for other sectors will only be granted for an eligible list of occupations where it can be demonstrated, following a rigorous labour market test, that suitable employees are not available within the EEA.

The Bill also introduces important new protections for non-EEA workers by:

- ▶ allowing workers (not only employers) to apply for Green Cards and work permits as appropriate;
- ▶ providing for the granting of those cards and permits to the workers rather than to the employers;
- ▶ including on the work permit information on the right to change jobs and on the appropriate minimum wage;
- ▶ introducing protections against employers deducting recruitment expenses from pay and retaining workers personal documents.

The Expert Group on Future Skills Needs / Forfás report, titled "Skills Needs in the Irish Economy: The Role of Migration", was published on 27th October 2005. This report, undertaken by the Group at the request of this Department, identifies where skills gaps occur across the economy. Demand for skills, which exceeds current local supply and where third country migration will be required to bridge these gaps, was identified among occupations in

9 The EU plus Norway, Iceland and Lichtenstein

10 A line by line examination of the Bill

Pillar 2 - Quality Work and Learning



Micheál Martin, T.D., Minister for Enterprise, Trade & Employment and Mr Dermot Mulligan, Assistant Secretary, Labour Force Development Division at the launch of the Employment Permits Bill

sectors including: construction, finance, engineering, information technology, pharmaceuticals, healthcare, transport, sales, and catering.

The report examines in detail the potential of EEA countries to meet skills demands in Ireland and concludes that much of Ireland's skills demands can be met from within the EEA region, particularly the demand for unskilled labour and those skills at the lower end of the continuum.

Employment Permits

Objective

To offer an improved level of customer service for Employment Permit applicants.

Strategic Action

We will pursue the introduction of an on-line facility for certain Employment Permit applications and we will avail of a reduced volume of applications in a post-EU enlargement environment to provide better information and a more personal level of service to our customers.

Following on from the Accession Treaty on 1 May 2004 the Government decided to permit full freedom of movement to workers within the wider European Economic Area (EEA). Government policy, in line with a requirement of the Accession Treaty to source employment from within the EEA, meant that during 2005 Work Permits were, in general, only issued to highly skilled and highly paid persons from outside the EEA. A total of 7,300¹¹ new Work

Permits was issued in the twelve months up to the end of December 2005. This represents a substantial reduction in applicant numbers for new Work Permits. The total number of Work Permits issued during the year was 27,000.

Improved customer service was a central goal during 2005. The processing time for Work Permits was maintained during the course of the year at 15 working days in the case of valid and correctly completed applications. In addition, an online applications system was designed which, when developed and implemented, will significantly improve customer service. The building of the system will begin as soon as the Employment Permits legislation and policy changes are finalised.

FÁS Expenditure and Activities

Objective

To monitor the effectiveness of FÁS' expenditure and activities in pursuit of the Department's strategic training and labour market objectives.

Strategic Action

We will oversee the allocation of financial resources to FÁS' activities and ensure that they support the Department's strategic objectives.

€935m was allocated in respect of FÁS training and employment activities in 2005, an increase of almost 12% over 2004. This was due to increased activity on in-company training and in-training and employment schemes for people with disabilities. Over €370m was allocated for training programmes. FÁS was allocated €395m in respect of Employment Programmes such as Community Employment, Jobs Initiative and Social Economy schemes. The Social Economy Programme was transferred to the Department of Community, Rural and Gaeltacht Affairs with effect from 1 January 2006.

During 2005 the Department contributed to the formulation of FÁS's Statement of Strategy 2006-2009. In response to the changing demands of the economy and a situation of virtually full employment, the training and upskilling of

11 As compared with c. 10,000 new work permits in 2004 and c. 22,000 new work permits in 2003 (the last full pre-accession year)

Pillar 2 - Quality Work and Learning

workers has become a key focus. FÁS plays a major role in delivering this training and works in close collaboration with industry to ensure that the training and curricula meet the needs of employers.

In May 2005 the Department of Enterprise, Trade and Employment convened a Social Partnership Group on Labour Market issues. The Group provides a forum for dialogue between the Social Partners and Government Departments on a broad range of labour market issues. The group met in June and December 2005. The work of the Group is ongoing.

We will monitor FÁS's activities and performance to ensure that the agency meets both strategic and corporate governance guidelines.

Regular meetings are held with FÁS to review progress and ensure that, where necessary, strategy and funding are adjusted in line with changing needs. Expenditure and activity are monitored on a regular basis, with reviews of specific schemes carried out on an ongoing basis. FÁS also participated in the recent Cross Departmental Expenditure Review of Supports for the Long Term Unemployed, which was co-ordinated by this Department as part of the Expenditure Review Initiative. The objective of the Review was to evaluate the range of state supports for the long-term unemployed during the period 1998-2003, and to assess their contribution to the effective and efficient elimination of long-term unemployment. The Working Group, which also comprised representatives from the Departments of Arts, Sport and Tourism, Community, Rural and Gaeltacht Affairs, Education and Science, Finance and Social and Family Affairs completed the Review in November 2005 and the report of the Review will be made available on the Department's website in 2006.

FÁS is required to comply with the Code of Practice for the Governance of State Bodies and compliance is regularly reviewed. A new Board of FÁS was appointed for a five-year term with effect from 1st January 2006.

Labour Market Data

Objective

To promote relevant and up-to-date labour market data which will inform the development of labour market policies and initiatives.

Strategic Action

We will prepare and update labour market data through the detailed analysis of economic reports and the compilation of statistics relating to employment/unemployment trends.

Economic Growth

The Irish economy continued to experience strong economic growth in 2005 with Gross Domestic Product (GDP) increasing by 4.8% in the third quarter of 2005 compared with the same quarter of 2004. Over the same period, Gross National Product (GNP) increased by 7%.¹²

Labour Force¹³

At the end of 2005, the labour force (employed + unemployed persons) stood at 2,071,900, an increase of 92,200 (+4.6%) of which there were 42,600 females and 49,600 males. Demographic factors such as the increase in the working age population and changes in its age structure added 62,000 to the labour force. Net inward migration accounted for approximately 75% of the 62,000. A further 30,000 is attributable to increased labour force participation. All age groups recorded increases in participation, with female participation in particular continuing to increase.

Employment

Employment growth continued in 2005, with the numbers employed increasing by 86,500, (+4.6%). This represents the highest annual growth rate since 2000, with the number of persons in employment now at 1,980,600, giving an employment rate of 67.8%. It is estimated that non-Irish nationals accounted for approximately half (43,300) of the overall increase in employment. Full-time employment

¹² Central Statistics Office Quarterly National Accounts Quarter 3 2005

¹³ All labour market data Central Statistics Office Quarterly National Household Survey (QNHS) Quarter 4 2005 unless indicated.

Pillar 2 - Quality Work and Learning

accounted for almost 75% of the increase. Part time employment continued to increase (+24,300) in 2005 with 340,800 persons working on a part time basis. On an annual basis, the number of female and male workers in employment increased by 4.8% and 4.4% respectively.

Employment increased across all economic sectors with the exception of Other Production Industries, which decreased by 12,900 (-4.3%). Growth was strongest in the Construction sector (+25,800). Employment also increased in Wholesale and Retail Trade (+19,600) Financial and Other Business Sectors (+15,300), Education (+9,400), Health (+9,000), and Public Administration and Defence (+6,300). Employment increased across all occupational categories (with the exception of Managers and Administrators which remained unchanged) with Sales (+18,500) and Craft and related (+18,300) showing the greatest increases.

Employment by Nationality¹⁴

Employment of non-Irish nationals now accounts for 8.6% of total employment. In 2005, employment of non-Irish nationals increased by 43,300 (+33%) with approximately 75% of this increase attributable to persons from the 10 EU Accession States. The numbers in employment increased across all economic sectors with the largest increases recorded in Construction, Other Production Industries and Financial and other Business Services. The sectors with the highest proportion of non-Irish national workers were Hotels and Restaurants (21%), Other Production Industries (10.5%) and Construction (10%).

Unemployment

At the end of 2005, there were 91,300 persons unemployed (54,300 males and 37,000 females). The unemployment rate stood at 4.4% an increase of 0.1% on 2004. Rates for males and females stood at 4.5% and 4.2% respectively. There were 27,600 persons long-term unemployed, a decrease of 1,300 (mainly concentrated in the 15-24 age group) in the year. The long-term unemployment rate remains extremely low both by historical and international standards at 1.3%, a decrease of 0.2%.

Regional Comparisons

In 2005 employment grew by 70,800 (+5%) in the Southern and Eastern (S&E) region and by 15,700 (+3.2%) in the Border Midlands and Western (BMW) region. There was an increase of 4,200 and 1,400 in the numbers unemployed in the S&E and BMW regions respectively. Employment grew in all sub-regions, with the Southwest and Midwest showing the strongest rate of growth at 6.4% and 6.3% respectively.

Labour Market Outlook

The Department of Finance¹⁵ estimates that the Irish economy should expand at between 4.5%-5% over the period 2006-2008. This assumes: that momentum in domestic demand continues; and robust growth in the US, Asia and EU economies over 2006 and 2007. Employment is estimated to increase by approximately 2.5% on average with the unemployment rate remaining below 4.5% over the period. As a small open economy, Ireland remains extremely vulnerable to external economic shocks. In addition to slower US economic growth, there are other risks to the medium-term labour market outlook such as rising energy prices, exchange rate values and the performance of the major euro economies.

14 The QNHS for the fourth quarter 2005 contained tentative data for 2004/2005 on the labour force classified by nationality. The figures are considered tentative as the significant migration flows in recent years present a major methodology challenge to the QNHS. While the figures are subject to review in light of the 2006 Census, the statistics are regarded by the CSO as a broadly accurate estimate of recent trends and the current situation.

15 Department of Finance: Stability Programme Update-December 2005

Pillar 2 - Quality Work and Learning

Table 1 Labour Market Data 2000-2005¹⁶

Total (000's)	2000	2001	2002	2003	2004	2005
Labour force	1781	1831.6	1866.3	1914.8	1979.7	2071.9
Employed	1712.6	1759.9	1782.3	1828.9	1894.1	1980.6
Full time	1432.8	1471.6	1487.5	1524.1	1577.5	1639.8
Part time	279.8	288.3	294.8	304.8	316.5	340.8
Unemployed	68.4	71.8	84.1	85.9	85.6	91.3
Long Term Unemployed	24.3	21.4	24.9	26.2	28.9	27.6
Males	2000	2001	2002	2003	2004	2005
Labour force	1053.4	1077.6	1092.4	1114.5	1145.2	1194.8
Employed	1012.1	1032.9	1040.5	1061.1	1092.4	1140.5
Full time	944	966.6	975.2	994.9	1027.7	1066
Part time	68.1	66.3	65.3	66.3	64.7	74.6
Unemployed	41.3	44.7	51.9	53.3	52.8	54.3
Long Term Unemployed	18.8	17.2	19.1	19.6	21.4	20.7
Females	2000	2001	2002	2003	2004	2005
Labour force	727.6	754	773.9	800.3	834.5	877.1
Employed	700.5	727	741.7	767.8	801.7	840.1
Full time	488.8	505	512.3	529.2	549.8	573.9
Part time	211.7	222	229.5	238.6	251.9	266.2
Unemployed	27.1	27	32.2	32.6	32.8	37
Long Term Unemployed	5.5	4.2	5.8	6.6	7.5	6.9
Rate (%)	2000	2001	2002	2003	2004	2005
Employment	65.3%	65.6%	65.1%	65.7%	66.7%	67.8%
Female Employment	54.2%	55.1%	54.9%	55.9%	57.2%	58.4%
Older Workers Employment	45.1%	46.4%	47.4%	48%	48.9%	51.2%
Unemployment	3.8%	3.9%	4.5%	4.5%	4.3%	4.4%
Long Term Unemployment	1.4%	1.2%	1.3%	1.4%	1.5%	1.3%

Under the Lisbon Agenda a number of employment targets for 2010 are in place at EU level: an employment rate of 70%; a female employment rate of 60%; and an employment rate of 50% for persons aged 55-64.

Pillar 2 - Quality Work and Learning

Table 2 Employment Growth (000's) by sector 2000-2005¹⁷

Economic Sector (NACE Rev.1)	2000	2001	2002	2003	2004	2005	% Change 2000-2005
Agriculture, forestry and fishing	125.3	127.2	123.1	123.4	112.5	115.3	-8%
Other production industries	320.9	319	305	297.3	301.1	288.2	-10.2%
Construction	178.1	185.4	191.3	200.6	227.4	253.2	+42.2%
Wholesale and retail trade	241.9	245.3	251.5	256.5	265.4	285	+17.8%
Hotels and restaurants	108.6	107.8	111.5	115.4	112.6	115.5	+6.4%
Transport, storage and communication	106	112.2	113.3	114.6	115.7	118.3	+11.6%
Financial and other business services	214.7	227	224.5	231.3	247.7	263	+22.5%
Public administration and defence	79.5	82.5	88.3	90.6	94.4	100.7	+26.7%
Education	103.6	107.3	112.3	118.1	118.5	127.9	+23.5%
Health	140.1	150.9	163.2	175.8	182.5	191.5	+36.7%
Other services	94.1	95.2	98.3	105.3	116.3	122.1	+29.8%
Total persons	1712.6	1759.9	1782.3	1828.9	1894.1	1980.6	+15.6%

Table 3 Share of total employment by economic sector¹⁸

Economic Sector (NACE Rev.1)	2000	2005
Agriculture, forestry and fishing	7.3%	5.8%
Other production industries	18.7%	14.6%
Construction	10.4%	12.8%
Wholesale and retail trade	14.1%	14.4%
Hotels and restaurants	6.3%	5.8%
Transport, storage and communication	6.2%	6%
Financial and other business services	12.5%	13.3%
Public administration and defence	4.6%	5.1%
Education	6%	6.5%
Health	8.2%	9.7%
Other services	5.5%	6.2%

17 Source: CSO QNHS Quarter 4 2000-2005

18 Source: CSO QNHS Quarter 4 2000-2005

Pillar 2 - Quality Work and Learning

European Social Fund

Objective

To ensure optimum use of the resources available from the European Social Fund (ESF) for 2000-2006 programmes to support labour market initiatives.

Strategic Action

We will monitor ESF expenditure under relevant programmes and will endeavour to optimise the use of ESF resources.

In 2005, an Updated Evaluation of the Employment and Human Resources Development Operational Programme (EHRD OP)¹⁹ was completed. This found that the necessary actions arising from the earlier mid-term review of the programme had been appropriately implemented and that the activities it provided for continued to be relevant to the labour market environment in which it operated.

During 2005, two mainstreaming events were organised by the EQUAL²⁰ Managing Authority in the Department. These events brought together the key players in order to identify concepts and solutions which they considered could have the potential to be mainstreamed and permitted the sharing of learning between Irish and EU organisations involved in this area.

Approximately €211m in ESF aid was received by Ireland during 2005, €54.28m of which was in respect of activities run by, or on behalf of, the Department and its agencies. In accordance with the requirements of the Structural Funds Regulations, the Department's ESF Unit carried out control checks on all ESF claims received in 2005, including checking of the financial management and control systems of organisations submitting claims.

ESF Programme Design 2007-2013

Objective

To design, within the parameters of EU and national guidelines, ESF programmes for the period 2007-2013 which add value to the development of human capital and increase participation in employment.

Strategic Action

We will develop, in consultation with key stakeholders, ESF programme(s) for the 2007-2013 period that address the identified training and/or employment support needs of the labour market, in line with the relevant EU regulations.

During 2005, significant progress was made in the preparation of EU-level Regulations to govern the Structural Funds, including the European Social Fund, in the period 2007-2013. It is anticipated that these Regulations will be completed early in 2006. Material on human capital development and labour market priorities for 2007-2013 was prepared by this Department for the preparatory work on drafting the proposed National Strategic Reference Framework, which will establish the priorities for the new ESF Programme. Work in these areas continued into 2006.

Social Dialogue

Objective

To progress social dialogue at EU, national and enterprise level.

Strategic Actions

We will contribute to the social dialogue process at EU and national levels.

and

We will actively represent the Department in the national social partnership

¹⁹ The Employment & Human Resources Development Operational Programme (EHRDOP) 2000-2006 is a 15 Billion plan that addresses Ireland's labour market and human capital development needs for the period 2000-2006.

²⁰ The EQUAL Community Initiative seeks to identify and address fundamental forms of discrimination and inequality in the labour market.

Pillar 2 - Quality Work and Learning

The Department continued to participate fully in the social partnership process during the year, both in meeting its commitments under the Sustaining Progress agreement and in monitoring the implementation of the agreement through active participation at Steering Group level, which comprises representatives of Government and of each of the social partner pillars.

The Department co-ordinates the Irish input into the Employment, Social Policy, Health and Consumer Affairs Council (ESPHCA) at EU level. The work of the Council falls under the remit of this Department, the Department of Social & Family Affairs, the Department of Justice, Equality & Law Reform and the Department of Health and Children. In 2005 the Council met formally in March, June and December. The Council held informal meetings in April 2005 in Luxembourg under the Luxembourg presidency and in July 2005 in Belfast under the UK presidency.

At its March 2005 meeting the Council agreed a partial general approach on the proposal to establish a Community programme for employment and social solidarity (PROGRESS). The Council also adopted conclusions on the social dimension of globalisation.

At its June 2005 meeting the Council reached political agreement on a draft Directive intended to give effect to the agreement concluded by the social partners concerning certain aspects of the working conditions of workers assigned to cross-border services in the railway sector. The Council also reached political agreements on draft Regulations amending the Regulations establishing a European Agency for Safety and Health at Work and a European Foundation for the Improvement of Living and Working Conditions.

At its December 2005 meeting the Council held a public policy debate on the issue of Demography and Human Capital, with Ministers highlighting the significant role of life-long learning and adequate work/life balance measures. In addition, the Council reached partial political agreement on PROGRESS. However political agreement was not achieved on the Working Time Directive.

In April 2005 the Informal Council meeting in Luxembourg examined the issue of corporate restructuring while the July Informal meeting looked at practical steps that could help older workers, young people, the economically inactive and hard to reach to return to and remain in work.

We will implement the relevant provisions of Sustaining Progress and any successor Agreement within the required time frame.

The Department continued to implement the relevant provisions of Sustaining Progress during 2005. Measures taken included:

- ▶ the raising of the minimum wage to €7.65 per hour from 1 May 2005;
- ▶ the completion of the passage of the Employees (Provision of Information and Consultation) Bill through the Seanad and completion of its Second Stage in the Dáil;
- ▶ the circulation of a White Paper on the Review of the Employment Agency Act 1971 and the subsequent preparation of Heads of a Bill;
- ▶ the preparation by the Labour Relations Commission of a new code of practice on access to part-time working; and
- ▶ the implementation of the remaining agreed improvements to the Redundancy Payments Scheme.

Other measures taken in response to commitments under Sustaining Progress, across a wide range of activities administered by or under this Department, are described elsewhere throughout this Report.

Industrial Relations Legislative Framework

A new code of practice on access to part-time working was prepared by the Labour Relations Commission. The code of practice has a number of purposes, including the encouragement of best practice and conformity with the provisions of the Employment Equality Acts 1998 to 2004 and the Protection of Employees (Part-Time) Act 2001, and the promotion and development of policies and procedures to assist employers, employees and their representatives to improve access to part-time work for those who wish to work on a part-time basis.

National Minimum Wage

Arising out of the Mid-Term Review of Part Two of Sustaining Progress, the Social Partners agreed to request the Labour Court to review the National Minimum Wage and to make a recommendation to the Minister, to apply from 1 May 2005. Having undertaken its review, the Labour Court made a recommendation to the Minister on 1 February 2005 to the effect that the minimum wage should be increased to €7.65 per hour. The Minister gave effect to this increase from 1 May 2005.

Pillar 2 - Quality Work and Learning

Work Life Balance

The National Framework Committee for Work/Life Balance Policies, which was established under Sustaining Progress, is charged with supporting and facilitating the development of family friendly policies at the level of the enterprise through the development of a package of practical measures that can be applied. One of the tasks of the Committee is to examine how best to improve access to family friendly working arrangements in order to realise the potential benefits that these arrangements would offer from both an equality and a competitiveness perspective. The Committee comprises representatives from the Irish Business and Employers Confederation (IBEC), the Irish Congress of Trade Unions (ICTU), the Equality Authority and a number of Government Departments, including the Departments of the Taoiseach, Finance, Justice, Equality & Law Reform and Social & Family Affairs. The Committee is chaired by this Department.

A number of initiatives were undertaken by the Committee in 2005, including the hosting of a seminar in Cork to disseminate information on work life balance in the Munster region. Work Life Balance Day 2005, which is an annual event since 2000, was held on 1 March 2005. The Committee also continued to fund organisations to implement or enhance work life balance policies via the Direct Financial Assistance and Panel of Consultants schemes. The Committee also engaged a firm of consultants to update the existing database, available on www.worklifebalance.ie and to provide a report on work life balance practices in the original 15 EU Member States.

Pensions

The Mid Term Review of Sustaining Progress provided for the establishment of a working group comprising the Departments of Enterprise, Trade and Employment, Finance and Social & Family Affairs together with IBEC and ICTU, to promote active co-operation at both national and workplace levels on pension matters. In particular, the Working Group was required to monitor trends in pension provision towards Defined Contribution Schemes at workplace level and the processes involved in relation to proposed changes to pension schemes, including prior consultation. The Department participated at meetings of the Working Group, which was chaired by the Department of Social and Family Affairs.

We will implement agreed recommendations from the Forum on the Workplace of the Future.

The Report of the Forum on the Workplace of the Future, which was published in March 2005, was based on extensive consultation, discussion and debate by its four panels, the Forum Taskforce, open sessions of the Forum and over 40 submissions to the Forum from the business community, trade unions and academic bodies. The Report emphasised that the scale and pace of changes affecting workplaces in a globalised society require enterprises to be innovative and adaptable. The Report presented a vision of the Workplace of the Future as being agile, customer-centred, knowledge intensive, responsive to employee needs, networked, highly productive, involved and participatory, continually learning and pro-actively diverse. In identifying the gaps in Irish workplaces, the Report focused on five strategic priorities:

- ▶ Commitment to workplace innovation
- ▶ Capacity for change
- ▶ Developing Future Skills
- ▶ Access to Opportunities
- ▶ Quality of Working Life.

Within these five areas, 42 recommendations comprise the National Workplace Strategy, which is designed to support new forms of work organisation at national and organisational level. The Strategy aims to improve the capacity of workplaces to change and innovate by focusing on areas such as developing future skills, access to opportunities and quality of working life.

National Workplace Strategy

The implementation of the National Workplace Strategy is being overseen by a High Level Group. This Group is chaired by the Minister for Labour Affairs, and comprises relevant Government Departments and the Social Partners with secretarial assistance provided by the National Centre for Partnership and Performance. The High Level Group met several times in 2005 and made significant progress in the development of action plans for each of the Strategy's recommendations. The Group is due to make an interim report to Government in 2006.

Pillar 2 - Quality Work and Learning

Legislative, Compliance and Dispute Resolution

Objective

To provide effective legislative, compliance and dispute resolution provisions in the area of employment rights, including health and safety, and industrial relations.

During 2005 there were 26,670 days lost due to industrial disputes. This compares with a figure of 20,784 days lost in 2004 and represents an increase of 28.3% over the previous year. The transport, storage and communications sector accounted for 21,653 (81%) of the total days lost in 2005. The industrial relations disputes at Irish Ferries and An Post were two of the main contributing factors to these figures.

Strategic Actions

We will introduce effective legislative provisions to transpose EU and ILO obligations.

Insolvency Payments

Regulations transposing EU Directive 2002/74/EC on the protection of employees in the event of the insolvency of their employer into Irish law came into operation on 8 October 2005. The regulations - the European Communities (Protection of Employees (Employers' Insolvency)) Regulations 2005 - extended the Protection of Employees (Employers' Insolvency) Acts 1984 to 2004 by including specific references to employees in Ireland of companies that have become insolvent under the laws of another Member State. They also added a number of existing employment rights-related awards which, under the provisions of the Directive, should be protected by the legislation. These changes are implemented through the Insolvency Payments Scheme.

Employees (Provision of Information and Consultation) Bill

The Employees (Provision of Information and Consultation) Bill seeks to implement the provisions of EU Council Directive 2002/14/EC of 11 March 2002. The objective of this Directive is to establish a general framework setting out minimum requirements for the right to information and

consultation of employees in undertakings or establishments over a certain employee threshold within the Community. The Bill was published on 19 July 2005. Bilateral discussions with the Social Partners, which helped inform the development of the legislation, were held throughout 2005. The Bill passed Report and Final Stages in the Seanad on 3 November 2005. Second Stage was completed in the Dáil on 6 December 2005.

European Company Statute

Draft regulations to implement the provisions of EU Council Directive 2001/86/EC of 8 October 2001 supplementing the Statute for a European company with regard to the involvement of employees were advanced during 2005. The European Company Statute will create a legal framework for a new form of company - "Societas Europea" (SE). The Statute will make it easier for undertakings to operate across the EU. The Directive provides that a new SE cannot be registered without first negotiating with employees on information and consultation and, in certain circumstances, participation.

European Co-operative Society Statute

The European Co-operative Society Statute facilitates the establishment of a European Co-operative Society within the territory of the Community. The associated Directive (2003/72/EC) provides for the involvement of employees in the European Co-operative Society. As part of the transposition process, a consultation process with the Social Partners and other interested parties commenced in 2005.

We will give legislative effect, as required, to commitments arising under Social Partnership or to take account of the evolving industrial relations environment

Review of the Employment Agency Act 1971

A commitment was given in Sustaining Progress to undertake, in consultation with the Social Partners and others, a review of the need to amend the Employment Agency Act 1971. In June 2005, the Department issued a White Paper on the Review of the Act as part of this process. A total of 9 submissions was received. By the end of 2005, the Heads of a Bill were being finalised with a view to circulation and further consultations with the various interests in early 2006. Following this, it is likely that Government approval will be sought to have a Bill drafted by the Office of the Parliamentary Counsel to the Government.

Pillar 2 - Quality Work and Learning

European Communities (Protection of Employees on Transfer of Undertakings) Regulations 2003

Another commitment in Sustaining Progress was that the Government would consult the social partners on the optional provisions of the consolidated Transfer of Undertakings Directive (2001/23/EC). One of the optional provisions, Article 3.2, on the option to provide for an obligation on the transferor to inform the transferee of the rights and obligations which will be transferred to the transferee, was included for transposition in the Employee (Provision of Information and Consultation) Bill 2005. Consideration of the other optional provisions continued into 2006.

Review of the Carer's Leave Act 2001

It was proposed to amend the Carer's Leave Act 2001 to extend the maximum carer's leave entitlement from 65 weeks to 104 weeks. This amendment follows on from the extension of the parallel Carer's Benefit Scheme administered by the Department of Social and Family Affairs, whereby the maximum duration for receipt of Carer's Benefit payment also increases from 65 weeks to 104 weeks. The amendments to both schemes, which were announced during Budget 2006, will be made by way of the Social Welfare Law Reform and Pensions Bill 2006, which is due to be enacted by April 2006.

We will, in conjunction with other Member States, and in consultation with other relevant Departments and the Social Partners, review the EU Directive on Working Time.

Review of the EU Directive on Working Time

In September 2004, the European Commission submitted to Council a proposal for a Directive amending Directive 2003/88/EC concerning certain aspects of the organisation of working time. Subsequently, following the Opinion of the European Parliament, the Commission issued a Revised Proposal on 31 May 2005. This Revised Proposal takes account of a number of amendments adopted by the European Parliament in May 2005. The objectives of the amended proposal are: (1) to take into account European Court of Justice case law, in particular, the rulings in the SIMAP and Jaeger cases, which held that on-call duty performed by a doctor when he/she is required to be physically present in the hospital must be regarded as working time, and (2) to review some of the provisions of Directive 2003/88/EC, concerning the possibility of not applying the maximum weekly working time (48 hours) if

the worker gives his/her agreement to carry out such work (the "opt-out" provision). Discussions were ongoing at end 2005.

We will consolidate the corpus of employment law and develop proposals, in conjunction with the interested parties, in relation to the structures and procedures of the Employment Rights Bodies.

In May 2005, Minister Killeen announced that the Government had agreed to a programme of action in response to the report and recommendations of the Review Group on the Functions of the Employment Rights Bodies and subsequent consultations with the various interested parties. As part of the programme of action, the Government agreed that an Employment Rights Group (ERG) should be established, comprising representatives of the Department of Enterprise, Trade and Employment, the Employment Rights Bodies and of the Social Partners. The first meeting of the ERG was held in June 2005. This group is to consider and advise on the operational implications of giving effect to the Government's decisions, including:

- ▶ simplifying and streamlining of the complaint, appeal and enforcement procedures and documentation across all the various Employment Rights (ER) Bodies;
- ▶ examining the practicality of setting up a single point of contact for ER bodies;
- ▶ simplifying and harmonising the corpus of employment rights legislation.

The Government also agreed that cases which are currently heard on a first instance basis by the Employment Appeals Tribunal (EAT) should instead be referred to the Rights Commissioner Service of the Labour Relations Commission, thus making the EAT an exclusively appellate body.

We will enhance compliance with employment rights legislation by revising procedures and developing proposals for consideration by Government.

and

We will follow up on the Review of the Mandate and Resourcing of the Labour Inspectorate.

The complement of the Labour Inspectorate was raised from 21 to 31 in 2005 to meet increasing demand for its services. The Inspectorate carried out a total of 5,719 inspections during the year. It also carried out a number of major investigations, securing significant improvements in conditions for many of the employees concerned.

Pillar 2 - Quality Work and Learning

Arising from a commitment in Sustaining Progress, and in order to assist in the preparation of proposals for consideration by Government, a Discussion Document was prepared by the Labour Inspectorate in relation to its Mandate and Resourcing. This comprehensive discussion document was prepared and circulated to the Social Partners in January 2005. The Discussion Document identified a range of possibilities around 40 separate issues.

The Discussion Document on the 'Mandate and Resourcing of the Labour Inspectorate' was the basis for further consideration by the Employment Rights Compliance Group (ERCG). The ERCG was made up of representatives of the Social Partners, including the Construction Industry Federation and the Services, Industrial, Professional and Technical Union (SIPTU), together with the Department of Enterprise, Trade and Employment, the Department of the Taoiseach and the Department of Finance. The Report of the ERCG has informed debate in the context of talks on a new round of national social partnership.

Among the key features in the ERCG Report are options with regard to:

- ▶ A streamlining of access to redress through the existing Employment Rights Bodies;
- ▶ A re-orientation of Employment Rights compliance procedures away from the Civil Courts towards the Employment Rights Bodies;
- ▶ Greater emphasis on proper record keeping together with increased transparency regarding pay and the associated information provided to employees on payslips;
- ▶ Organisational improvements in the service provided by the Employment Rights Compliance Section of the Department of Enterprise, Trade and Employment –including the Labour Inspectorate;
- ▶ The possibility of the early establishment of an independent Statutory Agency to replace the current Employment Rights Compliance Section;
- ▶ Major investment in Education and Information Dissemination on employment rights obligations and entitlements for both employers and employees.

We will enact new Health & Safety legislation and subsequently update the associated general application regulations as well as a number of sector-specific Regulations.

and

We will develop guidelines for all actors in the sphere of occupational safety, health and welfare.

Considerable progress was made during the year in the enactment and commencement of the Safety, Health and Welfare at Work Act and in EU Legislation. The Safety, Health and Welfare at Work Act 2005 became law on 1 September 2005. The legislation consolidates safety, health and welfare primary legislation in one statute and places a strong emphasis on the shared responsibilities and rights of employers and their employees in the area of health and safety. Its primary focus is on prevention, and it provides also for significantly increased fines and penalties to deter the minority who flout health and safety laws. It includes a scheme for on-the-spot fines through regulations. It provides that directors and managers can be held liable if complicit in actions that result in deaths and accidents. Two guides to this legislation were also prepared and are now publicly available on the Health and Safety Agency's website at www.HSA.ie.

Much progress was also made in drafting new General Application Regulations and new Construction Regulations. The Health and Safety Authority undertook a public consultation process on new draft General Application Regulations and a parallel consultation exercise on the new draft Safety, Health and Welfare at Work (Construction) Regulations. At year's end, final drafts were being prepared for submission to the Office of the Parliamentary Counsel for legal drafting.

The Report of the Expert Advisory Group on Workplace Bullying was launched in August 2005. The principles laid down by the Group in its Report will underpin future consideration of the issue by Government. The views of the Social Partners and other interested parties on the matter of workplace bullying were sought and obtained, and by the end of 2005 the Department was in the process of implementing the Group's recommendation to conduct a follow-up survey on workplace bullying which, along with the views of the Social Partners and other interested parties, will inform Government on how best to implement the recommendations of the Expert Advisory Group.

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Tony Killeen, T.D., Minister for Labour Affairs at the publication of the Report of the Expert Advisory Group on Workplace Bullying

We will review service delivery in the Employment Appeals Tribunal.

The Employment Appeals Tribunal continued the review of its internal procedures during 2005 with a view to improving its services to its customers. A Customer Service Charter was agreed, with the goal that customers using the service will be satisfied overall with the service they received from the Tribunal. The Tribunal is also an active participant in the Employment Rights Group, which was established by the Minister for Labour Affairs.

During 2005, the Tribunal was granted funding by the Department of Enterprise, Trade and Employment for the design and development of a dedicated, stand-alone website. The new dedicated website is expected to go live in early 2006.

Additional Strategic Actions undertaken in pursuit of this objective

Employment rights services to the public

The need to maintain and continually strive to improve a quality service and to monitor outputs is of particular importance in relation to the services provided by the Department to the public. A major part of the Department's services that are provided directly to the public – to employees and employers – concern employment rights. These include information, inspection, prosecution and enforcement services, and services providing redundancy and insolvency payments.

Employment rights Information

The total number of enquiries handled by the Employment Rights Information Unit of the Department, which operates from 9.30am. to 5.00 pm. Monday to Friday, was 122,283. In addition, it responded to 3,073 e-mail contacts, 6,097 voice mail requests and 887 'person-to-person' consultations. The Unit undertook five visits to Citizens Information Centres, and provided a number of presentations during the year. The Unit's information page on the Department's website recorded 94,847 visits.

A comprehensive range of explanatory leaflets and guides on different entitlements under employment rights legislation, including a series of information leaflets on employment rights legislation in Ireland in ten languages, are available on request or via the Department's website. They are also available from local Citizens Information Centres, the Immigration Council of Ireland, Embassies and at immigration points of entry.

Employment rights Inspection

During 2005, a total of 5,719 inspections/visits were undertaken, of which 2,007 were in respect of the Protection of Young Persons Employment Act 1996. In this regard, 1,443 inspections/visits were conducted at night. Early in 2005, several key staff members of the Labour Inspectorate, including three Inspectors, were dedicated almost exclusively to one major investigation in the Construction Sector. As a consequence of that work, and inputs from the Labour Relations Commission and Labour Court, significant adjustments in pay were secured for a number of non-national employees.

On 12 April 2005, the Minister for Enterprise, Trade & Employment announced his approval for the recruitment of an additional 10 Labour Inspectors. The latest increases in resources, raising the complement of Inspector posts from 10 in early 2000 to the present 31 Officers, is in direct response to identified needs and interaction with the Social Partners. The Inspectorate collected arrears of monies underpaid to employees in respect of wages, overtime, holiday pay, etc. amounting to €469,000 during the year under review. A total of 25 cases, arising from Labour Inspectorate activity, were referred through the Prosecution Unit of the Employment Rights Division to the Chief State Solicitor's Office (CSSO) for prosecution.

Employment rights Prosecution and Enforcement

The Department initiates prosecutions on behalf of the Minister for alleged breaches of certain employment rights legislation. Cases processed in 2005, compared with 2004 were as follows:

	2005	2004
Number of cases referred to CSSO	59	54
Number of convictions	31	17
Cases Successfully Concluded/Withdrawn	29	20

The Department also deals with the enforcement of awards of both the Labour Court and the Employment Appeals Tribunal through the Courts. Enforcement activity in 2005, compared with 2004, was as follows:

Enforcement Activity	New Cases Registered	Cases Referred to CSSO	Cases Concluded	Arrears Collected
2005	59	24	53	€93,000
2004	54	35	62	€117,000

Under the Protection of Young Persons Employment Act 1996, children working in the entertainment industry must be covered by licence. Applications for such licences are processed within the Unit and 79 such licences were issued in both 2005 and 2004.

Redundancy Payments

In 2005, the Department made Redundancy Payments in respect of 22,009 employees, resulting in expenditure of €149.50m.

Insolvency Payments

The number of cases processed under the Insolvency Payments Scheme in 2005 totalled 5,247, involving 1,957 employees and 183 employers. Expenditure totalled €4.56m.

Pillar 3

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Competition Authority

Objective

To ensure that the Competition Authority is adequately resourced and empowered to fulfil its mission.

Strategic Action

We will assist the Authority in expanding its Mergers Division to meet increased demand and will keep the staffing and funding of the Authority under review going forward.

Six case officers were appointed to the Authority's Mergers Division in 2005.

Also in 2005, approval was granted to recruit seven new case officers to the Authority's Cartels Division. This latest increase means that the Authority's staff complement has doubled since 2000. The Authority publishes its own Annual Report which details its activities in 2005 and is available at www.tca.ie.

Competition in Sheltered Sectors

Objective

To remove restrictions on competition and open up sheltered sectors of the economy.

Strategic Actions

We will analyse existing regulatory provisions that restrict competition and proposals for new regulation or legislation with a view to seeking the elimination of any unwarranted constraints on competition.

We will further enhance the role of competition and consumer policy to remove restrictions on competition and open up sheltered sectors of the economy.

Throughout 2005 the Competition Authority continued its comprehensive study into professions in the construction, medical and legal sectors. Preliminary reports on the legal, dentistry and optometry professions were published during the year.

In March 2005, the Authority, in conjunction with the Department of Enterprise, Trade & Employment, issued its final report and recommendations on competition in the non-life insurance sector. It published its final report and recommendations on competition in the non-investment banking sector in September 2005.

The Restrictive Practices (Groceries) Order 1987

Following the recommendation of the Consumer Strategy Group, that the Groceries Order should be revoked in its entirety, the Government agreed to the Minister's proposal for a public consultation process on the future of the Order. A review and report of the public consultation process was published in November 2005 and the Minister subsequently announced that the Government had decided to revoke the Groceries Order in its entirety. The primary legislation required to repeal the Order, the Competition (Amendment) Act 2006, was enacted in March 2006. The legislation also strengthens prohibitions against resale price maintenance, unfair discrimination (meaning the application of dissimilar terms to equivalent transactions), advertising allowances and hello money. The Department and the offices under its aegis, in line with their statutory functions, will review and monitor the structure and operation of the grocery sector over coming years.

Competition Act 2002 (Section 34(11))(Health Insurance Authority) Order 2005 (S.I. No. 127 of 2005):

Section 34 of the Competition Act, 2002 provides for co-operation agreements between the Competition Authority and certain other statutory bodies specified in a list at Schedule 1 of the Act. This Order commences the Competition Authority and the Health Insurance Authority's (HIA) formal co-operation agreement under the Act to facilitate the sharing of information.

Consumer Policy

Objective

To formulate and implement a new consumer policy in line with best international practice and based on a modern institutional and legislative framework.

Strategic Action

We will develop a new consumer policy and associated support structures aimed at promoting and protecting the interests of consumers based on the work of the Consumer Strategy Group.

Pillar 3 - Making Markets & Regulation Work Better

The Consumer Strategy Group's final Report "Make Consumers Count: A New Direction for Irish Consumers" was published in May 2005. The Report contains over 30 separate recommendations for the development of a national consumer policy strategy. The recommendations involve a variety of different Government Departments and Agencies whose activities directly impact upon the day-to-day lives of consumers.

The Group's core recommendation was that a new National Consumer Agency, incorporating the existing Office of the Director of Consumer Affairs, be established. The Group recommended that the new Agency should have specific statutory responsibilities in areas such as consumer advocacy, research, education and awareness, enforcement and information. The Government fully accepted this recommendation and preparations in relation to the establishment of the new Agency were underway at the end of 2005.

Given the scope and breadth of the CSG's Report, a High Level Inter-Departmental Committee was established to examine the implementation of the recommendations in the CSG Report. The Committee's conclusions essentially endorsed the various recommendations made by the Consumer Strategy Group.

National Consumer Agency (NCA)

The Government, in approving the establishment of the National Consumer Agency, also agreed to the appointment of a Board to the new Agency to act in an interim capacity until the NCA can be established on a statutory footing. A Chairperson and twelve other members were duly appointed to the Interim Board. Since its appointment the Interim Board has been very active in advocating on behalf of consumers. In particular the Board actively participated in the public consultation process on the future of the Groceries Order, which took place in the middle of 2005 and also engaged in a high profile public awareness campaign on consumers rights in the latter half of the year. The Interim Board, in continuing to be a forceful advocate on behalf of the consumer, will also assist in making the necessary preparations to ensure that the National Consumer Agency, once formally established, can hit the ground running. It is expected that the legislation establishing the new Agency will be published in 2006 and that the new Agency will be up and running in 2007.



Micheál Martin, T.D., Minister for Enterprise, Trade & Employment announcing the repeal of the Groceries Order

Consumer Protection Portal

The development of a Consumer Protection Portal was identified as a priority project in the Department's 2003 eStrategy review. The development of the Portal, which was undertaken in conjunction with Comhairle,²¹ commenced in October 2004 and was completed in September 2005. The Portal provides consumers with online information in relation to a wide range of areas including product safety, product labelling, consumer credit, services, redress mechanisms, consumer rights etc. The continued development of the Portal will be undertaken by the National Consumer Agency as part of its proposed statutory responsibility for providing consumer information.

We will progress the review of existing consumer legislation to ensure that consumer law is more readily understood and meets consumer needs.

The first phase of the comprehensive review of consumer legislation being undertaken by the Department deals with the transposition of the Unfair Commercial Practices Directive adopted by the European Union in June 2005 and the revision and, where appropriate, repeal of the domestic statutes within its domain. This will see the replacement of up to ten existing Acts by a single statute, significantly simplifying this area of consumer law for consumers and businesses. A number of the elements of the proposed new legislation – such as the general prohibition of unfair

²¹ The national support agency for the provision of information, advice and advocacy on social services.

Pillar 3 - Making Markets & Regulation Work Better

commercial practices and the specific prohibition of aggressive commercial practices – represent a new departure for Irish law and will provide new protections for consumers. In 2005, the Department held detailed discussions with the European Commission on the transposition of the Unfair Commercial Practices Directive and undertook a large body of preparatory legal analysis and research with a view to introducing the proposed new legislation in 2006.

In tandem with the ongoing review of existing consumer legislation, the financial penalties for breaches of seven pieces of this legislation were increased via Sections 68 to 74 of the Investment Funds, Companies and Miscellaneous Provisions Act 2005.

Company Law and Regulatory Agencies

Objective

To cooperate with, support and monitor the CRO, RFS, ODCE and IAASA (when formally established) in pursuit of the high level goal of delivering high standards of corporate governance.

Strategic Action

We will implement the Companies (Auditing and Accounting) Act 2003 and in particular establish on a statutory basis the Irish Auditing and Accounting Supervisory Authority as soon as possible.

Necessary arrangements were put in place, in particular over the final quarter of 2005, to establish the Irish Auditing and Accounting Supervisory Authority (IAASA)²², culminating in its statutory establishment on 3rd January 2006, with most of the powers provided for it in the Companies (Auditing and Accounting) Act, 2003. One of IAASA's key functions is to supervise the regulation by the accountancy bodies of their member auditors/accountants.

In addition to the strategies outlined in the Department's Strategy Statement 2005 – 2007 under Company Law & Regulatory Agencies, three examinations of company books and documents by the Minister's authorised officer under

section 19 of the Companies Act 1990 remained to be concluded at the end of 2005. The companies involved are College Trustees Ltd., Guinness & Mahon (Ireland) Ltd. and Hamilton Ross Co. Ltd. In June 2005, the Minister directed the authorised officer to place at the disposal of relevant public authorities, including Tribunals of Inquiry, whatever information and assistance arising from his investigative work was required by those authorities for the purpose of the performance of their statutory functions. This process was continuing at the end of the year. The Minister's objective in giving his direction was to achieve the earliest possible pursuit by the appropriate authorities of any matter which may require action by them.

Companies Legislative Framework for the Financial Services Industry

Objective

To provide a flexible legislative framework for the corporate vehicles used by the financial services industry. This will facilitate the further development of Ireland's competitive position as an attractive location for the establishment of financial services companies.

Strategic Action

We will provide the legislative framework for a new investment funds vehicle (the non-UCITS (Undertakings for Collective Investment in Transferable Securities) Common Contractual Fund (CCF)); and segregated liability and cross investment for investment companies.

The new investment fund vehicle (non-UCITS CCF) was provided for in the Investment Funds, Companies and Miscellaneous Provisions Act 2005 which was signed into law on 29 June 2005. The Act also provided for the introduction of cross investment and segregated liability for investment funds.

In addition, the Act facilitated the transposition of EU Directives on Market Abuse and Prospectus. A number of other changes were made to general company law to

22 Enquiries in relation to IAASA should be forwarded to IAASA at Willow House, Millennium Park, Naas, Co Kildare; e-mail: info@iaasa.ie. Further information available at www.iaasa.ie.

Pillar 3 - Making Markets & Regulation Work Better

remove anomalies, rectify incomplete or incorrect cross references in existing law and facilitate operators using electronic technology. Some amendments were made to certain pieces of consumer protection legislation mainly to increase the level of maximum fines that can be imposed on conviction. Amendments were also made to the Irish Takeover Panel Act, Competition Act, Industrial and Provident Societies Act and Central Bank Act.

In terms of the broader legal framework for the funds industry the Act also gave the Minister the power to make Regulations to specify alternative accounting standards with which investment companies could comply. These Regulations were made in July and give the funds industry further flexibility so that they can now choose to comply with US, Canadian or Japanese accounting standards.

We will develop proposals for the consolidation of legislative provisions applying to all investment companies.

A draft proposal was prepared for the consolidation/streamlining of provisions relating to all Collective Investment Schemes. Consultation was initiated with the Regulator and Industry. Following the consultation process during 2006, the proposal will be finalised.

Additional Strategic Actions Undertaken in Pursuit of Objective in 2005 included the following:

- ▶ Regulations were made in December to ease the burden on companies generally with regard to showing comparable amounts in accounts as they switched to comply with new accounting standards. This was particularly important for the funds industry given the timeframes within which they compile accounts.
- ▶ Regulations were made in November to facilitate the introduction of a Central Counterparty (CCP) System for the Irish securities market. The provision of the CCP arrangements facilitate the streamlining of transaction processing in the Irish equities market which again benefits the funds industry and the broader financial services sector.

EU legislation on Company Law

Objective

To contribute to the legislative work of the EU Council and Commission on company law in order to strengthen and develop the Internal Market.

Strategic Action

We will enact a programme of primary and secondary company legislation as appropriate to provide for the transposition of new EU legislation, including:

- *European Company Statute;*
- *European Cooperative Statute;*
- *Amendments to the First Company Law Directive;*
- *Insider Dealing and Market Manipulation (Market Abuse) Directive;*
- *International Accounting Standards Regulation;*
- *Modernisation of Accounting, Prospectuses, Takeovers, Transparency Obligations Directives.*

European Company Statute Regulation (2157/2001/EC)

This Statute provides certain companies with the option of forming a European Company known officially by its Latin name of 'Societas Europaeae' (SE). Essentially it gives companies operating in more than one Member State the option of being recognised as a single company under EU law. These companies will thus be able to function across the European Union with one set of rules and a unified management and reporting system. An SE is established by two pieces of legislation, namely Regulation EC 2157/2001 (establishing the company law rules), and Directive 2001/86/EC (on worker involvement). Preparatory work on implementation of these measures continued during 2005.

Modernisation of Accounting, Prospectuses, Takeovers, Transparency Obligations Directives.

During 2005, political agreement at EU level was reached on the revised text of the 8th Company Law Directive on statutory audit. This new Directive on statutory audit aims at reinforcing and harmonising the statutory audit function

Pillar 3 - Making Markets & Regulation Work Better

throughout the EU. It sets out principles for public supervision in all member states, introduces a requirement for external quality assurance and clarifies the duties of statutory auditors. Its objectives are to restore the credibility of financial reporting and to enhance protection against the corporate type scandals of the past. Publication of the new Directive was carried forward into 2006. However, Ireland had anticipated many of the requirements of the Directive, which were enacted domestically under the Companies (Auditing and Accounting) Act 2003.

Insider Dealing and Market Manipulation (Market Abuse) Directive (2003/6/EC)

The aim of the Insider Dealing and Market Manipulation Market Abuse Directive is to promote the integrity of Europe's financial markets. It seeks to do this by introducing a common EU legal framework for preventing, detecting, investigating and sanctioning both insider dealing and market manipulation. It also provides a common framework for the disclosure of information to the market.

The Market Abuse (Directive 2003/6/EC) Regulations 2005, which came into operation on 6 July 2005, along with Part 4 of the Investment Funds, Companies and Miscellaneous Provisions Act 2005, give full effect to this Directive. The new legislation applies to any financial instrument admitted to trading on a regulated market (or where a request for admission to trading has been made) and introduces a new offence in Irish law, namely, market manipulation. These Regulations largely replace Part V of the Companies Act 1990, which hitherto provided for insider dealing, and the Companies (Amendment) Act 1999, which provided for stabilising activity in relation to the issue or sale of securities.

International Accounting Standards Regulation (EC 1606/2002)/ Modernisation of Accounting Provisions Directive (2003/51/EC)

European Council Regulation (EC 1606/2002) dated 19 July, 2002 requires listed companies, including banks and insurance companies, to prepare their consolidated accounts in accordance with International Financial Reporting Standards from 2005 onwards. EU Directive 2003/51/EC of 18 June, 2003, which complements Regulation EC 1606/2002, amends the European Union 4th and 7th Company Law Directives which, respectively, govern the preparation of annual and consolidated accounts.

The European Communities (International Financial Reporting Standards and Miscellaneous Amendments) Regulations 2005 (S.I. No. 116 of 2005), give full effect to Regulation EC 1606/2002 and to Directive 2003/51/EC and ensure that optional accounting treatments available under International Financial Reporting Standards, as endorsed by the EU, are available to companies while leaving those companies which can and wish to adhere to the EU Accounting Directives (implemented in Ireland, by the Companies (Amendment) Act 1986 and the 1992 Group Accounts Regulations) as the basis for their accounts, free to do so. They also make other changes to reflect current best reporting practices.

Prospectus Directive (2003/71/EC)

The Prospectus Directive harmonises requirements for the drawing up, approval and distribution of the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market situated or operating within a Member State. Prospectus (Directive 2003/71/EC) Regulations 2005 (SI No. 324 of 2005) along with Part V of the Investment Funds, Companies and Miscellaneous Provisions Act 2005 give full effect to the Directive and the implementing Commission Regulation (EC) No. 809/2004. The primary objective of the new legislation is to enhance investor protection through the production of high quality prospectuses and to improve the efficiency of raising capital by issuers through the issue of a single approved prospectus, which will be valid for use across the EU. These Regulations took effect on 1 July 2005 and updated and upgraded earlier requirements in this area.

Takeover Bids Directive (2004/25/EC)

This directive provides for a minimum level of harmonization, consisting of certain general principles and rules, on how takeovers of listed companies in the EU should be conducted and supervised. The objective is to protect the interests of all concerned in the course of such transactions in a fair and balanced manner. The Directive will give rise to changes in Ireland's domestic takeover code enshrined in the Irish Takeover Panel Act 1997 and accompanying Rules. Preparatory work began in 2005 on implementation of the Directive, which was on schedule to be transposed into Irish legislation by the due date of 20 May 2006.

Pillar 3 - Making Markets & Regulation Work Better

We will participate in negotiations on measures currently before the EU Council and in respect of new measures expected to be brought forward from the Corporate Governance/Company Law Action Plan over the next three years.

Directive of the European Parliament and of the Council of 26 October 2005 on cross-border mergers of limited liability companies (2005/ 56/EC)

Negotiations on the Cross Border Mergers Directive were completed and the Directive was adopted in October 2005. The aim of the Directive is to facilitate cross-border mergers of limited liability companies under favourable conditions in terms of costs and legal certainty, and provide for a framework within which this process can occur. It is directed primarily at companies who are not interested in forming a statute company under the European Company Statute, i.e., for the most part small and medium sized enterprises.

Proposal of the European Parliament and of the European Council amending Council Directive 78/660/EEC and 83/349/EEC concerning the annual accounts of certain types of companies and consolidated accounts

Consideration of this proposal commenced at European Council working group level in late 2004 and continued in 2005. The proposal aims to further enhance confidence in the financial statements and annual reports published by EU companies by requiring them to provide more reliable and complete information to shareholders and other stakeholders. This will be achieved through amendments to Council Directives 78/660/EEC and 83/349/EEC, commonly known as the 4th and 7th accounting Directives which primarily form the basis for EU accounting requirements. The measure is expected to be adopted in 2006.

Proposal to simplify the formation, maintenance and alteration of companies' capital

On 21 September 2004, the European Commission presented a proposal for a Directive to make it easier for public limited liability companies to take certain measures affecting the size, structure and ownership of their capital. The proposal would amend the parts of the 1976 Second Company Law Directive covering the formation, maintenance and alteration of capital. Negotiations on an agreement between the Council and the European Parliament are at a very advanced stage in relation to this proposal.

Proposal for a Directive of the European Parliament and of the Council on the exercise of voting rights by shareholders of companies having their registered office in a Member State and whose shares are admitted to trading on a regulated market and amending Directive 2004/109/EC.

This proposal seeks to achieve effective simplification of the cross-border voting process and to reduce the disparities between Member States. It focuses on selected rights of shareholders in the general meeting of a company and introduces minimum standards to ensure that company shareholders have a timely access to complete information in relation to general meetings and have simplified ways of voting without attending the general meeting.

This proposal arises from the European Commission's "Action Plan on Modernising Company Law and Enhancing Corporate Governance in the European Union" which recognised the need to facilitate the cross-border exercise of shareholder' rights. The European Commission has carried out two public consultations, from September to December 2004 and from May to July 2005, to elicit the views of interested parties on the main obstacles to cross border voting and on minimum standards which the Commission could propose in this field. The proposed Directive is due to be published by the Commission in early 2006.

Company Law Consolidation and Reform Act

Objective

To bring forward proposals for a Company Law Consolidation and Reform act based on the work of the Company Law Review Group

Strategic Action

We will submit the General Scheme of a Consolidation and Reform Bill for approval by Government in 2005 with a view to publication and enactment as soon as possible thereafter

Drafting is continuing apace on the Company Law Reform and Consolidation Bill. As the focus of the Company Law Review Group was diverted to an intensive review of the Directors' Compliance Statement [Section 45 of the Companies (Auditing & Accounting) Act 2003] for the latter

Pillar 3 - Making Markets & Regulation Work Better

half of 2005, at the behest of the Minister for Trade and Commerce, this impacted on the completion date of the General Scheme of the Bill. The target date for such completion is now the latter half of 2006.

Insurance Reform Programme

Objective

To monitor and aid the newly established Personal Injuries Assessment Board in fulfilling its mission.

Strategic Action

We will engage with and support the Personal Injuries Assessment Board to enable it to improve the processing of personal injury claims in order to achieve lasting improvements in the functioning of the insurance market generally, for the benefit of consumers and business

The Personal Injuries Assessment Board (PIAB) published its first Annual Report, in September 2005. Up to this date, 13,000 applications had been received by the PIAB from victims of accidents, the majority of which were received in 2005. Of these claims, 5,000 had either been settled up-front between parties following PIAB's intervention, or claim papers were being submitted by the claimant. The remaining 8,000 claims were at various stages of the 9 month assessment process.

Three out of every four PIAB assessments had been accepted and the total compensation awarded amounted to €2.7m. The cost of delivering this compensation under the PIAB system amounted to €185,000, which is less than 10% of the amount assessed. Under the old litigation system litigation costs would have been approximately €1.2m, representing an actual PIAB saving of €1.1m. Assessments had been delivered approximately three times faster and at a delivery charge four times cheaper than under the litigation system.

The Department continues to engage with the PIAB in order to ensure that these early successes can be consolidated and built upon.

We will complete and publish the study of the insurance sector in conjunction with the Competition Authority during 2005.

In March 2005 the Competition Authority, in conjunction with the Department of Enterprise, Trade and Employment, issued its final report and recommendations on competition in the non-life insurance sector, with particular reference to motor insurance, employers' liability and public liability.

The report made 47 recommendations designed to make the insurance market in Ireland more open, transparent and competitive. It found that specific categories of motorists, businesses and voluntary groups were "locked in" to their current insurance supplier and that there was an absence of information available to them which would allow them to search for better insurance quotes. In addition, it found that new and existing insurance companies were "locked out" of many important and profitable segments of the insurance market.

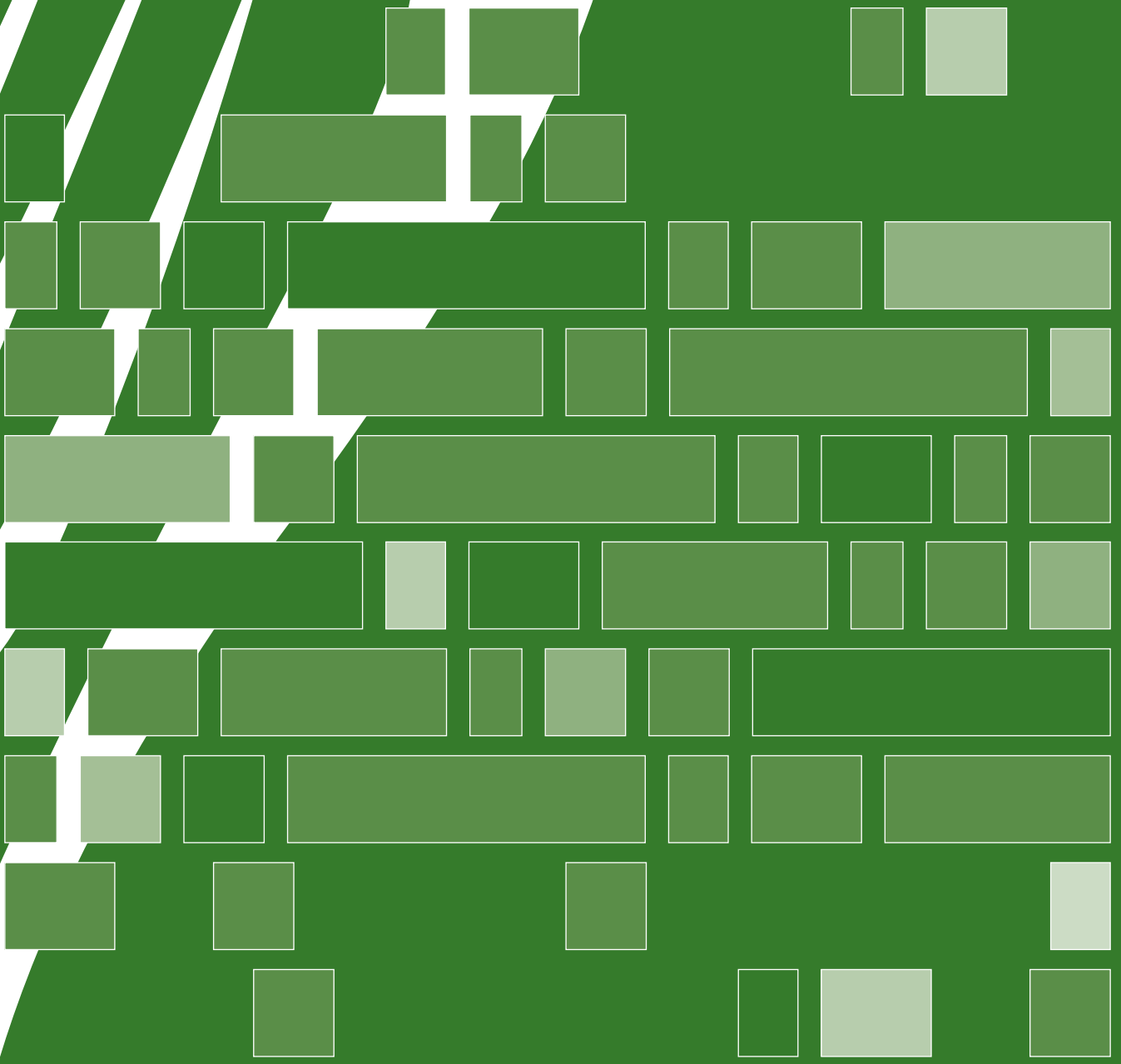
The focus of the Authority's recommendations is to provide the necessary information to open up the Irish insurance market in order to enable new and existing insurance companies to get into, or expand in, the profitable Irish insurance market and to empower motorists, businesses and voluntary groups to shop around for a better insurance deal.

The Authority's recommendations have informed IFSRA in its work and the effects of this will be seen in IFSRA's forthcoming codes for regulating the industry. Indeed, IFSRA has already begun implementing the Authority recommendations by bringing forward the date of publication of the "blue book"²³ of insurance statistics.

23 Report published annually entitled the "Insurance Statistical Review". The information contained in the review is primarily sourced from the regulatory returns which insurance companies provide to the Financial Regulator.

Pillar 4

Business Delivery, Modernisation & Customer Focus



Pillar 4 - Business Delivery, Modernisation & Customer Focus

Quality Customer Service

Objective

To deliver the highest quality service to our customers by implementing the customer service standards established in our Customer Service Charter and implementing specific e-Government initiatives of benefit to our customers.

Strategic Actions

We will continuously monitor, evaluate & improve the standards set out in our Customer Charter and report regularly on the deliver of those standards

We will continuously monitor, expand and improve the services we deliver to the public and our stakeholders and actively seek to increase e-delivery of services where appropriate and feasible.

Customer Charter

The Department published its third Customer Service Action Plan in July. It covers the years 2005 to 2007 and builds on the work already achieved and sets out the new actions through which we hope to improve our service delivery. Over the lifetime of the Action Plan the Department has committed to work to the best of our ability to meet the standards established in the Action Plan and the Customer Charter. These documents are available on the Department's website at www.entemp.ie.

Quality Customer Service Principles

As an implementation mechanism for the twelve quality customer service principles, the Quality Customer Service Unit examined the 2003, 2004 and 2005 business plans of each of the Department's business units using the principles against which to assess each plan. The audits have increased the quantitative and qualitative adoption of the QCS principles in the Department's business plans by setting standards and providing for performance measurement as well as helping to promote and develop a customer service ethos throughout the Department. In 2005, the business plans of all Units showed a high compliance with the QCS principles and we will continue to further develop ways to measure this compliance.

Website

The Department is committed to the ongoing development of our website as an important conduit of information to all of our customers, including those with disabilities. During 2005, the website received a total of 90,000 visits per month. This represents an increase of 28% on the 2004 figure of 70,000 visits per month.

Customer Care Research

The Department concluded its rolling programme of independent Customer Care research in 2005. A discussion and examination of the results will take place in 2006. Following on from this we will draw on the conclusions of the research and formulate a strategy detailing the way forward and identify how we can further develop our commitment to the delivery of a quality service in consultation with our customers and staff.

Complaints Procedure

As part of our effort to improve our services we monitor all complaints through our formal Complaints Procedure. During this year, no formal complaints were recorded.

Official Languages Act, 2003

Requests received in Irish are dealt with in Irish. We reply in Irish where correspondence is received in Irish and we publish key Departmental documents for example, Strategy Statements, Annual Reports, Customer Service Action Plan etc, simultaneously in Irish and English.

Telephone Statistics

The Department's Information Unit provides a wide ranging information service to the Department's customers. Statistics by means of "iCMS" (electronically generated internal telephone reports) reports indicate that 20,933 calls were received and dealt with in 2005 with a total of 20,917 calls or (98%) answered within 20 seconds.

Pillar 4 - Business Delivery, Modernisation & Customer Focus

Correspondence/Letter & Email

Work continued in 2005 on the development of a correspondence tracking system. This system will involve electronic recording and monitoring of general correspondence and will enable the Department to better monitor response times and to produce robust statistics on same. The design phase of the project commenced in 2004 and is due for completion in early 2006.

Visitors

A recent survey of visitors to the Department has shown a high level of satisfaction with reception areas while also highlighting some areas that may need improvement. We will continuously monitor our facilities and act upon the findings of surveys to further improve the quality of service provided to all visitors to the Department.

A large number of e-Government initiatives were developed during the year for the benefit of our customers including:

- ▶ The introduction of a new on-line Redundancy Payments System
- ▶ The development of a new Management System to oversee the delivery of Work Permits.
- ▶ The introduction of an on-line facility for the provision of Export Licences;

Employment Rights

The provision of a quality service is particularly important in relation to the services provided directly to the public under employment rights legislation. The Department continually reviews and strives to improve these services. During 2005 a total of 5,719 inspections/visits were undertaken by the Department's Labour Inspectorate, of which 2,007 were in respect of the Protection of Young Persons Employment Act 1996, Redundancy Payments were made in respect of 22,009 employees, resulting in expenditure of €149.50m, and 5,247 cases were processed under the Insolvency Payments Scheme in 2005 involving 1,957 employees and 183 employers. Further information is provided under Pillar 2 of this report.

Modernisation

Objective

To advance all areas of the modernisation process with particular emphasis on value-adding initiatives, including the implementation of the Management Information Framework, and to utilise our Partnership structures to promote internal dialogue and consultation with staff.

Strategic Actions

We will identify and implement change management initiatives and priorities for the Department, through the Change Management Committee and the SMI Groups and we will drive the successful delivery of the comprehensive range of commitments in our Sustaining Progress Action Plan.

Change Management

The Department's four Strategic Management Initiative (SMI) Working Groups – Quality Customer Service & Openness, Transparency and Accountability; Financial Management; Human Resources Management; and Information Systems Management - met regularly during 2005 to progress their work programmes and advance the modernisation agenda throughout the Department.

The work of the Groups contributed to the advancement of a number of modernisation activities during 2005, including the formulation and development of the Department's Customer Service Action Plan 2005 – 2007 and the completion of a number of significant ICT projects directed at improving the services we provide to all our stakeholders. The introduction of a new on-line Redundancy Payments System and a new Management System to oversee the delivery of Work Permits, are just two of the many ICT improvements brought to fruition in 2005.

Sustaining Progress

During 2005, the Department submitted two reports to the Civil Service Performance Verification Group on progress being made in relation to delivering commitments contained in our Sustaining Progress Action Plan, drawn up under the latest Social Partnership agreement. Both reports were approved by the Group who noted the particular progress made by the Department in a number of key governance and management areas including areas of customer

Pillar 4 - Business Delivery, Modernisation & Customer Focus

service, efficient use of resources, implementation of the recommendations from expenditure reviews and the development of improved performance indicators.

We will drive the roll-out and implementation of the Management Information Framework having regard to the MIF project plan 2004-2006.

New management information reports were designed in 2005, to facilitate improved performance monitoring and financial management. These reports will be further developed and enhanced over the coming months to ensure that they add value to the management and decision-making process of the Department.

The reports have been developed as part of the Management Information Framework (MIF) Programme, the Reform of the Estimates process and also in the context of the ever increasing focus on sound financial management.

The main focus of the Department's bespoke MIF training programme, delivered in the latter half of 2005, was on financial management, setting and reporting on performance indicators and the use of management reports.

We will continue to ensure that our Partnership Committee is central to promoting internal dialogue and consultation with staff on key issues in the process of change and improvement.

The Department's Partnership Committee was established in September 1998 to assist in implementing the Strategic Management Initiative. The Committee comprises eighteen members: six union representatives, six management representatives, five staff representatives and a secretary.

The Partnership Committee met on six occasions during 2005. The Committee and its sub-groups worked on a broad range of modernisation & equality issues including approval of the Department's updates on its Sustaining Progress Action Plan, integration of the Performance Management Development System into the Department's HR policies and systems, seeking of further improvements in health and safety, and overseeing the publication of the Department's staff magazine. The Partnership Committee also addressed the key challenges highlighted by the feedback report received following the Department's successful participation in the 2005 "Best Companies to Work for in Ireland" competition.

Human Resources & Training

Objective

To continue to develop our human resources through the Performance Management and Development System, and transition from a traditional Personnel Management function to a devolved system of Human Resource Management, and to provide equality of opportunity to all staff.

Strategic Actions

We will implement the Department's Human Resources Strategy, including the development and rollout of a training programme and supports.

The Department's first Human Resources Strategy (for period 2005-2007) was published and distributed to all staff in May 2005. The purpose of the Strategy is two-fold – to bring together all of the Department's HR policies, show how they interact and demonstrate potential for enhanced integration; and to map out an action plan for future development of these policies. In particular, the Strategy charts how the Department will move from a narrow "Personnel" approach to a more strategic developmental and Human Resource Management (HRM) approach. The Strategy identifies six areas through which the HRM approach will be progressed – Resourcing the Department; Managing Performance and Development; Work/Life Balance; Positive Working Environment; Strengthening Partnership, Consultation and Involvement; and Supporting the move from Personnel to HRM.

The Strategy contains over 40 specific action points, the implementation of which should allow us build upon the already changing HRM environment within the department in order to create an ever more flexible, modern and agile Department in delivering its mission and business goals to its customers.

We will continue to effectively implement our Performance Management and Development System (PMDS), in accordance with agreed deadlines, to enhance staff development and performance.

The Department's PMDS Monitoring Group met regularly throughout the year to monitor the implementation of PMDS and to provide guidance to facilitate its consistent application across the Department.

Pillar 4 - Business Delivery, Modernisation & Customer Focus

The roll out of a programme of training on the formal integration of a system of upward feedback within the PMDS, which commenced in late 2004, was completed in mid 2005. PMDS allows each member of staff to take personal ownership of their individual contribution to the overall work of the Department, while identifying areas where further training and development would enhance the capacity of each staff member to improve their performance and career development potential further.

We will develop policies to achieve greater participation by women in senior grades, with particular emphasis on achieving the targets of at least 33% of Assistant Principal posts and 20% of Principal Officer posts to be filled by women.

During 2005, the Department continued to progress the Equality agenda through the work of the Partnership Committee, and, in particular, the work of the Equality Group (a sub-group of the Partnership Committee). The Equality Group considered the issues related to increased participation by women in promotion competitions to the grades of Assistant Principal (AP) and Principal Officer (PO). It was decided to undertake research to assist policy development in this area. Following a procurement process, the Department commissioned the Centre for Gender and Women's Studies in Trinity College, Dublin to conduct research on this topic. Research commenced in 2005 and will be completed in 2006.

We will develop policies to improve participation in promotion competitions by people with disabilities.

In 2005, the Department fully implemented the recommendations of the Ad Hoc Group on career progression of people with disabilities. These involved delivering an Equality Module in all grade-specific development programmes and induction-training courses. In July 2005, a Disability Awareness Focus Group took place in order to identify further initiatives or topics that could be incorporated into future disability awareness training programmes in the Department. This is being progressed by the Department's Training Officer and Disability Liaison Officer with a view to delivering courses/information sessions with a particular focus on the needs identified by staff.

In 2005, the Department continued to exceed the 3% quota for the employment of people with disabilities.

Human Resources Management

Objective

To ensure the Department has the required human resources, equipped with the skill sets needed to deliver our business goals.

Strategic Actions

We will provide targeted training and development, addressing the identified development and business needs of individuals and groups of staff, utilising e-learning systems where possible;

&

We will grow our skills and competencies to improve continuously our service to our customers and stakeholders at all levels.

The Department continued to provide appropriate training courses in response to training needs identified under PMDS. Almost 3.8% of payroll was expended on training courses attended by 2,833 participants in 2005. Courses were designed to enhance competencies in areas such as regulatory impact analysis, presentation skills, clear and critical thinking, the legislative process, the development of reports on key performance indicators, analysis and interpretation of accounts, corporate governance, policy analysis, IT training and health and safety training. E-learning was further developed as an adjunct to classroom-based learning as part of induction training.

The Department continued to administer the Refund of Fees Scheme, which provides financial assistance to staff who wish to pursue relevant third level courses in their own time.

Pillar 4 - Business Delivery, Modernisation & Customer Focus

Information & Communications Technology

Objective

To provide the best ICT (Information & Communication Technology) services to support the Department's business needs.

Strategic Actions

We will undertake a review of the ICT Strategy 2003-2006 and, if appropriate, prepare a revised ICT Strategy to reflect any significant changes in the Department's working environment.

The review of the ICT Strategy 2003-2006 was completed in November 2005. The review established that there were many significant achievements over the lifetime of the Strategy. The most notable achievement was the provision to the Department and its Offices of a comprehensive and effective IT system which met all of the Department's requirements without any major breakdown in service delivery. The review also highlighted other achievements of note including -

- ▶ Implementation of a wide range of applications / projects which allowed us better serve our external and in-house customers (online payments in the Patents Office, Redundancy Payments System, Peoplesoft Human Resource System, Oracle Financial System, Development of the Department's Intranet, Employment Rights Case Management System);
- ▶ Implementation of a comprehensive e-Government strategy to "e-enable" Departmental services to our wide customer base;
- ▶ Putting in place a comprehensive ICT governance procedure (ICT Steering Group, formal project proposal documentation, approval and reporting procedures);
- ▶ Introducing a very strong customer service focus to the work of the Unit and regular communication with users;
- ▶ Providing an extensive mobile working environment for Departmental staff
- ▶ Standardisation of the desktop environment (around Windows XP);
- ▶ Implementation of an e-mail archiving system which enables staff on a self-service basis to search the archive using the range of search criteria.

We will provide a resilient ICT infrastructure for the successful hosting of the Department's public-facing services on a 24/7 basis.

Among the many facilities now available online to our stakeholders are e-Payment Services (Companies Registration and Patents Offices), Redundancy Calculator, Search Services, Redundancy & Insolvency Applications, Online Filing Systems and a facility for Electronic Funds Transfer to Departmental suppliers. The Department also has over a dozen websites providing 24/7 access for its customers.

A review of Department's *e-Public Service Strategy 2001*, undertaken in 2005, identified significant progress in the "e-enabling" of the Department, including making available on-line most of the forms used by the Department.

The provision of a resilient IT system, to underpin a comprehensive Disaster Recovery programme for the Department's IT systems, was a significant activity undertaken during the year. A number of key systems, including the administration systems for Employment Appeals, Redundancy & Insolvency Recoveries, Employment Rights Enforcement, Registrar of Friendly Societies, Payroll and Time Management, now have fully resilient fail-over facilities.

We will provide a Business Process Review (BPR) facility to assist Units and Offices of the Department improve the process of service delivery and subsequently assist those Units and Offices in the implementation of new work approaches. In particular, we will prioritise work on decentralising areas over the period of the strategy.

Following an independent review by Forfás of Ireland's export control system, the need to introduce an electronic web-based application was highlighted. A Business Process Review was undertaken in 2005 of the Export Licensing Unit with a view to the development of a new online system. Following the BPR report, it was subsequently decided to upgrade and enhance the existing system. The recommendations highlighted in the review have been implemented and established the platform on which the new online system is to be developed. The on-line licence application system is due to go live in the first half 2006.

A review of the Travel Section of the Department's Finance Unit was undertaken in November 2005. This review has been completed and a report is to issue in 2006.

Pillar 4 - Business Delivery, Modernisation & Customer Focus

We will develop an improved, more effective electronic Redundancy Payments System (RPS).

The new Redundancy Payments System went live in May 2005 and follows the successful introduction of online systems in the Companies Registration Office and the Patents Office.

The legal basis for the new system was the Redundancy Payments Act 2003, which also simplified the methodology used for calculating statutory redundancy entitlements. The relevant provisions of the Act came into operation in 2005.

The new system has speeded up the processing of redundancy claims, with the output for the last four months of 2005 being 16% up on the output for the same period in 2004. This improved level of performance was achieved in tandem with a reduction in the staff complement of the Section concerned. By December 2005, the up-take by customers had increased from an initial 12% to 34%.

A feature of the new system is the production of monthly statistics of actual, rather than notified redundancies, as had been the case with the previous system. As not all notified redundancies become actual redundancies, this provides a more accurate statistical view.

An updated Guide to the Redundancy Payments Scheme, which is also available on the Department's Website, was issued to coincide with the launch of the system.



Tony Killeen, T.D., Minister for Labour Affairs with staff of the Department at the launch of the Redundancy Online System

Decentralisation

Objective

To relocate Departmental staff and functions to Carlow within the timeframe set by Government in a manner which minimises disruption to business continuity and quality customer service and places people at the heart of the process.

Strategic Actions

We will produce and action a detailed implementation plan which will set out our strategies to minimise customer service disruption, identify and minimise risks, manage staff turnover, training, knowledge management and communications.

The Department's Decentralisation Implementation Plan was revised in March in light of the recommendations in the Third Report of the Decentralisation Implementation Group²⁴. The Plan was updated to reflect the inclusion of the Department among the organisations listed as the potential "early movers" of the Decentralisation Programme. The plan sets out how the staffing, training, customer service, business continuity and risk management issues associated with this major undertaking will be addressed over the coming months, in order to maximise business continuity within decentralising business sections and maintain high levels of customer service.

A number of Agencies under the aegis of the Department namely FÁS, the National Standards Authority of Ireland, Enterprise Ireland and the Health and Safety Authority, are also to decentralise. Each of these Agencies published a revised decentralisation implementation plan in 2005.

We will work closely with the Office of Public Works to assist in the procurement of a building in Carlow of high quality design and build, providing a safe, accessible working environment for all staff.

A major development in the decentralisation programme in 2005 was the completion of the purchase of a landmark site in Carlow town centre on which the Department's new offices will be constructed. The Department continued to work closely with the Office of Public Works throughout the year to specify office accommodation requirements and this continued into 2006.

²⁴ Decentralisation Implementation Group - Report to Minister for Finance - Selection of organisations/locations for inclusion in the first phase of moves, 19 November 2004

Pillar 4 - Business Delivery, Modernisation & Customer Focus

Financial Control & Value for Money

Objective

To ensure that all financial transactions are carried out in accordance with established public financial procedures and to seek improvements in value for money in the administration of the Department's affairs.

Strategic Action

We will pursue the full implementation of the financial management modernisation programme, including the continuous improvement of service to our internal and external customers.

In 2005, the Department introduced an Electronic Funds Transfer system for making payments to suppliers. This development was in line with a Government initiative to use Electronic Funds Transfer to the greatest extent possible in making payments to customers.

During the year, the Department also worked on the development of a system to enable the electronic submission of travel and subsistence claims by staff of the Department. This system will become operational in 2006.

We will bring the benefits of the new financial management system to the management and business units of the Department, enabling them to perform their functions more efficiently and effectively.

During 2005, the Department's Finance Unit improved the quality and content of financial reports which were distributed to managers in the Department on a monthly basis. These financial reports facilitate the monitoring and analysis of expenditure against budgets. A Working Group was established towards the end of the year to consider the steps that need to be taken to provide line managers with direct access to the Department's financial management system to ensure that the most up to date expenditure information is available to them. It is anticipated that access to the system will be provided in 2006.

Internal Audit

Objective

To provide a risk based internal audit service, which gives assurance on the systems of control

Strategic Action

We will provide assurance to the Accounting Officer regarding the internal control systems of the Department and those offices directly within the remit of the Department. We will specifically advise the Accounting Officer regarding signature of the Statement on Internal Financial Control, which now accompanies the annual Appropriation Account.

The Department's Internal Audit Unit provides an assurance to the Accounting Officer (Secretary General) on the adequacy of the internal control systems of the Department and those offices directly within the remit of the Department. In this regard, a programme of activity is drawn up each year, and reviewed and monitored by the Departmental Audit Committee.

During 2005, a number of audits and reviews were undertaken in respect of the Department's internal control systems and compliance with relevant legislation. As recommended by the Mullarkey Report²⁵, Internal Audit also finalised a review of compliance by Agencies under the aegis of the Department with the Code of Practice for the governance of State Bodies.

This programme of work, completed in 2005, enabled the Internal Audit Unit to advise the Accounting Officer regarding signature of the Statement on Internal Financial Control, which accompanies the annual Appropriation Account.

We will fulfil our responsibilities to the European Commission for a programme of audit activity to be undertaken across organisations in receipt of funding from the European Social Fund (ESF). We also have a specific and extensive role in relation to the closure of each round of funding.

Internal Audit Unit works to fulfil the Department's responsibilities to the European Commission in relation to EU Structural Funds audit - primarily relating to the

25 Report of the Working Group on the Accountability of Secretaries General and Accounting Officers

Pillar 4 - Business Delivery, Modernisation & Customer Focus

European Social Fund (ESF). This necessitates the conduct of audits within the Department and the co-ordination of auditing activity undertaken across other Departments and organisations in receipt of Structural Funds. The Unit liaises with Structural Funds Sections in the Department and with the Commission in relation to issues arising from this audit activity and in relation to various aspects of EU financial control requirements.

During 2005, Internal Audit along with the ESF Financial Control Unit, commenced an audit of the EQUAL Community Initiative which is co-funded by the ESF. This included audits at a number of levels of the management structure and a comprehensive audit of all projects receiving funding. This audit is scheduled to be completed in mid 2006.

The ESF Financial Control Unit in accordance with Articles 10.1(b) and 10.2 of Commission Regulation (EC) No. 438/2001 conducted a number of audits in order to allow Ireland fulfil our obligation to verify a minimum of 5% of total ESF expenditure. That minimum 5% was exceeded for 2005.

Internal Audit also fulfils the Department's responsibilities in relation to completion of system audits of units within the Department that have responsibilities in respect of European Regional Development Fund (ERDF). During 2005, an audit was progressed in respect of one of the ERDF Measures for which the Department has responsibilities while another audit was finalised. All of this audit work is directed at allowing Ireland give reasonable assurance to the European Commission that we are investing our Structural Funds receipts in accordance with the various EU Regulations governing the Structural funds.

Openness, Transparency & Accountability

Objective

To enhance the management effectiveness and transparency of our business, including the provision of high-quality information under Freedom of Information and other instruments, and to provide effective ongoing communication horizontally and vertically throughout the Department.

Strategic Action

Subject to the agreement of the Minister for Finance, we will extend FOI to the Employment Appeals Tribunal (administrative functions only), Science Foundation Ireland, the Company Law Review Group, the Crafts Council of Ireland, the European Social Fund Financial Control Unit, the 35 County and City Enterprise Boards, Skillnets and the Labour Court (administrative functions only) by end 2005.

In October 2005, the Minister for Finance announced the decision to extend FOI to Science Foundation Ireland, the Company Law Review Group, the Crafts Council of Ireland, the European Social Fund Financial Control Unit, the 35 County and City Enterprise Boards, Skillnets and the Labour Court (administrative functions only). The practical arrangements for extending FOI to these bodies were underway in the Department of Finance at the end of 2005. During the year under review, the Department of Enterprise, Trade and Employment undertook a significant awareness, training and preparation programme to ensure that these bodies are fully prepared for the introduction of FOI in 2006. Subject to the agreement of the Minister for Finance, it is also planned to effect the introduction of FOI to selected functions of the Employment Appeals Tribunal during 2006.

We will continue to develop the Department's intranet site through enhancing its content and functionality to facilitate effective communication throughout the Department.

The Department's Intranet was significantly enhanced during the year. New sections were created to provide all relevant information on the Official Languages Act, Public Procurement and Decentralisation. A 'Frequently Asked Questions' (FAQ's) area was also provided as part of the IT Helpdesk service.

Also a number of existing sections, including those covering Health & Safety, EU Affairs, Risk Management, Records Management and Freedom of Information (FOI) were redesigned and updated.

Pillar 4 - Business Delivery, Modernisation & Customer Focus

Records Management Policy

During 2005, a comprehensive revision of the Department's records management policy was undertaken, to reflect the recommendations of the Department's Travers Response Group²⁶ and the need to include an electronic records management policy.

Statistics Strategy

Objective

To put building blocks in place which will enable the timely availability of data to support evidence-based policy making, to better support ongoing evaluation of existing policy and programmes, and to enable staff to use data more effectively, both in terms of policy formulation and evaluation.

Strategic Action

On foot of the CSO/Department SPAR project, we will form a standing committee on data strategy.

The functions of the Department and its associated agencies are wide-ranging and, consequently, the breadth and accuracy of data required to support these functions, and to better inform decision making, must be comprehensive. A preliminary draft report on the Department's data sources and data needs across the range of areas for which it has responsibility was prepared by the CSO in late 2005. A committee on data strategy, comprising representatives of the Department, Forfas, Enterprise Ireland, IDA Ireland, FAS and the CSO and chaired by the Department of Enterprise, Trade & Employment, met to consider the preliminary Draft Report and identify the key issues to be addressed by the final Report. This work is continuing in 2006.

Better Regulation

Objective

To adhere to the principles of better regulation, as set out in the White Paper, "Regulating Better".

Strategic Action

We will adhere to the principles of better regulation when preparing legislation

In November 2005 the Minister for Enterprise, Trade and Employment set up a Business Regulation Forum (BRF) to work in parallel to the Better Regulation Group, which is the successor to the High Level Group on Regulation. The BRF takes the form of a standing dialogue between Government and business on addressing issues of burdensome regulation.

Risk Management

Objective

To ensure that appropriate actions are taken by management throughout the organisation to identify and manage effectively the risks to which the organisation may be exposed.

Strategic Action

We will put in place a framework for identifying and minimising risks in order to ensure that the Department has an agreed and understood methodology for achieving its objectives.

The Department issued a formal policy document in 2005 to all senior management setting out the overall objective of the Department's position regarding Risk Management, and also setting out formal procedures for management to identify and assess the key risks (strategic, operational, financial, reputational) facing the Department in achieving its objectives as set out in the Department's Strategy Statement and Business Plans. The overall objective of the Risk Management Policy in the Department is to ensure that appropriate actions are taken by management throughout the organisation to identify and manage effectively the risks to which the organisation may be exposed. All Divisions of the Department updated their Risk Registers during 2005 and the Management Board reviewed the Department's High Level Risks with a view to ensuring that all appropriate steps were being taken to minimise the risks to the Department.

26 A cross-divisional departmental group established to further consider the issues arising from the Travers Report

Appendices



Table of Contents

- Appendix A: [Redacted]
- Appendix B: [Redacted]
- Appendix C: [Redacted]
- Appendix D: [Redacted]
- Appendix E: [Redacted]
- Appendix F: [Redacted]
- Appendix G: [Redacted]
- Appendix H: [Redacted]
- Appendix I: [Redacted]
- Appendix J: [Redacted]
- Appendix K: [Redacted]
- Appendix L: [Redacted]
- Appendix M: [Redacted]
- Appendix N: [Redacted]
- Appendix O: [Redacted]
- Appendix P: [Redacted]
- Appendix Q: [Redacted]
- Appendix R: [Redacted]
- Appendix S: [Redacted]
- Appendix T: [Redacted]
- Appendix U: [Redacted]
- Appendix V: [Redacted]
- Appendix W: [Redacted]
- Appendix X: [Redacted]
- Appendix Y: [Redacted]
- Appendix Z: [Redacted]

Appendix 1

Estimate (or Budget of the Department for 2006 including provisional out turn for 2005).

ENTERPRISE, TRADE AND EMPLOYMENT

- I. Estimate of the amount required in the year ending 31 December 2006 for the salaries and expenses of the Office of the Minister for Enterprise, Trade and Employment, including certain services administered by that Office, for the payment of certain subsidies, grants and a grant-in-aid, and for the payment of certain grants under cash-limited schemes.

(a) by way of current year provision

**One thousand, two hundred and eighty-eight million, five hundred and forty-three thousand euro
(€1,288,543,000)**

(b) by way of the application for capital supply services of unspent appropriations, the surrender of which may be deferred under Section 91 of the Finance Act 2004.

**Twenty-nine million, seven hundred and eighty thousand euro
(€29,780,000)**

- II. Subheads under which this Vote will be accounted for by the Office of the Minister for Enterprise, Trade and Employment.

	2005 Provisional Outturn			2006 Estimate			Change 2006 over 2005 %	
	Current	Capital	Total	Current	Capital	Total		
	€000	€000	€000	€000	€000	€000		
ADMINISTRATION								
A.1	SALARIES, WAGES AND ALLOWANCES	32,188	-	32,188	34,714	-	34,714	8%
A.2	TRAVEL AND SUBSISTENCE	1,727	-	1,727	2,523	-	2,523	46%
A.3	INCIDENTAL EXPENSES	1,330	-	1,330	1,457	-	1,457	10%
A.4	POSTAL AND TELECOMMUNICATIONS SERVICES	987	-	987	974	-	974	-1%
A.5	OFFICE MACHINERY AND OTHER OFFICE SUPPLIES	4,623	-	4,623	5,684	-	5,684	23%
A.6	OFFICE PREMISES EXPENSES	1,718	-	1,718	2,017	-	2,017	17%
A.7	CONSULTANCY SERVICES	439	-	439	727	-	727	66%
A.8	ADVERTISING AND INFORMATION RESOURCES	384	-	384	610	-	610	59%
A.9	OFFICE OF THE DIRECTOR OF CORPORATE ENFORCEMENT	2,884	-	2,884	4,713	-	4,713	63%
A.10	LABOUR COURT	2,377	-	2,377	2,728	-	2,728	15%
	<i>INFORMATION SOCIETY</i>							
	<i>eGOVERNMENT BASIS PROJECT</i>	533	-	533	-	-	-	-
	<i>Subtotal:- *</i>	49,190	-	49,190	56,147	-	56,147	14%
ENTERPRISE, AGENCIES, SCIENCE AND TECHNOLOGY								
B.1	FORFÁS - GRANT FOR ADMINISTRATION AND GENERAL EXPENSES	27,576	-	27,576	31,031	-	31,031	13%
B.2	INTERTRADEIRELAND	2,327	5,352	7,679	2,714	6,611	9,325	21%
C.1	IDA IRELAND - GRANT FOR ADMINISTRATION AND GENERAL EXPENSES	36,479	-	36,479	37,918	-	37,918	4%
C.2	IDA IRELAND - GRANTS TO INDUSTRY	-	67,991	67,991	-	84,000	84,000	24%
C.3	IDA IRELAND - GRANT FOR BUILDING OPERATIONS	-	8,103	8,103	-	17,300	17,300	114%

	2005 Provisional Outturn			2006 Estimate			Change 2006 over 2005 %	
	Current	Capital	Total	Current	Capital	Total		
	€000	€000	€000	€000	€000	€000		
ENTERPRISE, AGENCIES, SCIENCE AND TECHNOLOGY (CONTINUED)								
D.1	ENTERPRISE IRELAND - GRANT FOR ADMINISTRATION AND GENERAL EXPENSES	89,858	-	89,858	93,738	-	93,738	4%
D.2	ENTERPRISE IRELAND - GRANT TO INDUSTRY	6,113	39,676	45,789	4,728	48,300	53,028	16%
D.3	ENTERPRISE IRELAND - GRANT FOR CAPITAL EXPENDITURE	-	2,094	2,094	-	3,900	3,900	86%
E.1	SHANNON FREE AIRPORT DEVELOPMENT COMPANY LIMITED - GRANT FOR ADMINISTRATION AND GENERAL EXPENSES	-	-	-	100	-	100	-
E.2	SHANNON FREE AIRPORT DEVELOPMENT COMPANY LIMITED - GRANTS TO INDUSTRY	-	475	475	-	3,300	3,300	-
F.	SCIENCE, TECHNOLOGY AND INNOVATION PROGRAMMES	19,606	202,570	222,176	25,633	232,865	258,498	16%
G.	COUNTY ENTERPRISE DEVELOPMENT	12,348	16,056	28,404	12,821	17,600	30,421	7%
H.	MONITORING AND EVALUATION OF EU PROGRAMMES	95	-	95	120	-	120	26%
I.1	NATIONAL STANDARDS AUTHORITY OF IRELAND - GRANT FOR ADMINISTRATION AND GENERAL EXPENSES	6,363	652	7,015	5,692	834	6,526	-7%
I.2	NITRIGIN EIREANN TEORANTA	300	-	300	50	-	50	-83%
J.1	LOAN SUBSIDY FOR SMALL BUSINESS EXPANSION SCHEME - PAYMENTS TO ICC BANK plc. <i>INFORMATION SOCIETY - eBUSINESS INITIATIVE</i>	19	-	19	1	-	1	-95%
		78	-	78	-	-	-	-
	<i>Subtotal:-</i>	201,162	342,969	544,131	214,546	414,710	629,256	16%
	* <i>Includes carryforward of savings of 1,450,000 from 2005 under the terms of the Administrative Budget Agreement.</i>							
LABOUR FORCE DEVELOPMENT								
K.1	FÁS ADMINISTRATION AND GENERAL EXPENSES (a)	135,220	-	135,220	140,967	-	140,967	4%
K.2	FÁS TRAINING AND INTEGRATION SUPPORTS (b)	63,293	-	63,293	78,043	-	78,043	23%
K.3	FÁS EMPLOYMENT PROGRAMMES (c)	377,979	-	377,979	376,295	-	376,295	-
K.4	FÁS CAPITAL	-	27,199	27,199	-	30,390	30,390	12%
L.	GRANT TO IRISH NATIONAL ORGANISATION FOR THE UNEMPLOYED (d)	49	-	49	50	-	50	2%
M.1	TECHNICAL SUPPORT FOR COMMUNITY INITIATIVES	573	-	573	717	-	717	25%
M.2	MATCHING FUNDING FOR COMMUNITY INITIATIVES	61	-	61	250	-	250	310%
M.3	OPERATIONAL PROGRAMME FOR HUMAN RESOURCES DEVELOPMENT - TECHNICAL ASSISTANCE	524	-	524	645	-	645	23%
M.4	LEONARDO PROGRAMME	122	-	122	125	-	125	2%
M.5	EQUAL COMMUNITY INITIATIVE DEVELOPMENT PARTNERSHIPS	5,089	-	5,089	6,460	-	6,460	27%
	<i>Subtotal:-</i>	582,910	27,199	610,109	603,552	30,390	633,942	4%

	2005 Provisional Outturn			2006 Estimate			Change 2006 over 2005 %	
	Current	Capital	Total	Current	Capital	Total		
	€000	€000	€000	€000	€000	€000		
EMPLOYMENT RIGHTS AND INDUSTRIAL RELATIONS								
N.	LABOUR RELATIONS COMMISSION - GRANT FOR ADMINISTRATION AND GENERAL EXPENSES	4,671	-	4,671	5,012	-	5,012	7%
O.1	GRANTS FOR TRADE UNION EDUCATION AND ADVISORY SERVICES (d)	1,773	-	1,773	1,801	-	1,801	2%
O.2	WORK PLACE INNOVATION FUND PROMOTION OF PARTNERSHIP	-	-	-	500	-	500	-
P.	TRADE UNION AMALGAMATIONS	-	-	-	143	-	143	-
	<i>Subtotal:-</i>	6,444	-	6,444	7,456	-	7,456	16%
<i>(a) Some FAS instructors costs (13.231m) and the costs of FAS Skills Analysis Unit (0.336m) are funded by the National Training Fund. (b) Training activities associated with this subhead also benefit from the NTF allocations (284.087m). (c) Training costs associated with this subhead are NTF funded (18.666m) (d) Cash limited subhead.</i>								
COMMERCE, CONSUMERS AND COMPETITION								
Q.	GRANT TO THE COMPETITION AUTHORITY	4,846	-	4,846	5,831	-	5,831	20%
R.1	CONSUMER AFFAIRS - GRANT FOR ADMINISTRATION AND GENERAL AFFAIRS (a)	3,631	-	3,631	7,289	-	7,289	101%
R.2	CONSUMER SUPPORT	243	-	243	65	-	65	-73%
S.1	COMPANIES REGISTRATION OFFICE - GRANT FOR ADMINISTRATION AND GENERAL AFFAIRS	8,613	-	8,613	9,308	-	9,308	8%
S.2	IRISH AUDITING AND ACCOUNTING SUPERVISORY AUTHORITY (GRANT-IN-AID)	584	-	584	919	-	919	57%
	<i>PERSONAL INJURIES ASSESSMENT BOARD</i>	2,872	-	2,872	-	-	-	-
	<i>IRISH AUDITING & ACCOUNTING SUPERVISORY AUTHORITY - SET UP COSTS</i>	232	804	1,036	-	-	-	-
	<i>Subtotal:-</i>	21,021	804	21,825	23,412	-	23,412	7%
HEALTH AND SAFETY								
T.	HEALTH AND SAFETY AUTHORITY - GRANT FOR ADMINISTRATION AND GENERAL AFFAIRS	17,848	-	17,848	20,598	-	20,598	15%
	<i>Subtotal:-</i>	17,848	-	17,848	20,598	-	20,598	15%
OTHER SERVICES								
U.	RESEARCH INCLUDING MANPOWER SURVEYS	107	-	107	359	-	359	236%
V.	NATIONAL FRAMEWORK COMMITTEE FOR WORK / LIFE BALANCE POLICIES	105	-	105	271	-	271	158%
W.	SUBSCRIPTIONS TO INTERNATIONAL ORGANISATIONS, ETC.	13,467	-	13,467	14,995	-	14,995	11%

Appendix 2

Report on Compliance with the Provisions of the Prompt Payment of Accounts Act

During 2005, 24 invoices totalling €121,058.02 incurred penalty interest of €4,929.90. The delays were as follows:

- ▶ Up to 30 days overdue in 21 cases resulting in interest of €307.05
- ▶ No instances between 31 and 60 days overdue
- ▶ More than 60 days overdue in 2 cases resulting in interest of €4,622.85

In accordance with S.I. No. 388, interest is only paid when the amount due is over €5. Approximately €4,500.00 related to an ongoing reconciliation of an invoice with one supplier, which was resolved in 2005.

The corresponding figure for 2004 was 65 late payments attracting late payment interest of €3,000.97.

Appendix 3

Legislation administered by the Department

Health and Safety at Work

Boiler Explosions Acts, 1882 and 1890
 Chemical Weapons Act, 1997
 Carriage of Dangerous Goods by Road Act, 1998
 Dangerous Substances Act, 1972 and 1979
 Mines and Quarries Act, 1965
 Safety, Health and Welfare (Offshore Installations) Act, 1987
 Safety, Health and Welfare at Work Act, 2005
 Safety in Industry Acts, 1955 and 1980

Employment Rights

Carer's Leave Act 2001
 European Communities (Protection of Employees on Transfer of Undertakings) Regulations 2003
 European Communities (Protection of Employment) Regulations 2000
 Hospitals' Trust (1940) Limited (Payment to Former Employees) Act 2000
 Minimum Notice and Terms of Employment Acts 1973 to 2001
 The National Minimum Wage Act 2000
 Organisation of Working Time Act 1997
 Protection of Employment Act 1977
 Protection of Employees (Fixed-Term Work) Act 2003
 Protection of Employees (Part-Time Work) Act 2001
 Protection of Employees (Employers' Insolvency) Acts 1984 to 2004
 Payment of Wages Act 1991
 Protection of Young Persons (Employment) Act 1996
 Redundancy Payments Acts 1967 to 2003
 Terms of Employment (Information) Acts 1994 and 2001
 Unfair Dismissals Acts 1977 to 2001
 Redundancy Payments Act 2003
 Employment Agency Act 1971 (while this Act is administered by the ERIR Division of the Department, it does not form part of the employment rights suite of legislation).
 Employment Permits Act 2003

Internal Market

Council Regulation (EC) No. 2679/98 of 7 December 1998 on the functioning of the internal market in relation to the free movement of goods among the Member States.
 Resolution of the Council and of the Representatives of the Governments of the Member States, meeting within the Council, of 7 December 1998 on the free movement of goods.
 Commission Recommendation No. 2001/893/EC of 7 December 2001 on principles for using "SOLVIT" – the Internal Market Problem Solving Network .
 Commission Recommendation No. 2005/309/EC of 12 July 2004 on the transposition into national law of Directives affecting the internal market.

Industry

Cement (Repeal of Enactments) Act 2000
 Custom Free Airport Acts, 1947 and 1958 (parts of)
 Export Promotion (Amendment) Act, 1987
 Industrial Development Acts, 1986 to 2003
 Industrial Research and Standards Act, 1961
 Irish Steel Limited Act, 1996
 National Standards Authority of Ireland Act, 1996
 NET Acts, 1963 – 2001
 Prompt Payment of Accounts Act, 1997
 Science and Technology Act, 1987
 Shannon Free Airport Development Company Limited Acts 1959 - 1991

Company Law

Companies Acts 1963 – 2005
 Friendly Societies Acts 1896 – 1977
 Industrial and Provident Societies Act, 1893 - 1978
 Investment Limited Partnership Act, 1994
 Irish Takeover Panel Act, 1997
 Limited Partnership Act, 1907
 Partnership Act, 1890
 Registration of Business Names Act, 1963
 Unit Trusts Act, 1990
 Designated Investment Funds Act, 1985(section 6)
 Safety, Health and Welfare at Work Act, 1989 (section 12(6))

Investment Intermediaries Act, 1995 (section 80)
 Competition Act 2002 (section 48(a) and 51)
 Stock Exchange Act 1995

Personal Injury

Personal Injuries Assessment Board Act 2000

Science, Technology & Intellectual Property

Industrial Development (Science Foundation Ireland) Act, 2003
 Industrial research and Standards Act, 1961
 Intellectual Property Rights
 Patents Act 1992
 Trade Marks Act 1996
 Sections 4 and 5 of the Intellectual Property (Miscellaneous Provisions) Act 1998
 Copyright and Related Rights Act 2000 (excluding sections 98, 198, 199 and 247 which were not commenced with the remainder of the Act on 1 January 2001)
 Industrial Designs Act 2001
 Copyright and Related Rights (Amendment) Act 2004 (No. 18 of 2004)
 Science and Technology Act, 1987

Trade

Control of Exports Act, 1983
 Control of Imports Acts, 1934-1964
 Insurance (Export Guarantee) Act, 1988
 Restriction of Imports Act, 1962

Competition & Consumer Policy

Casual Trading Acts 1995
 Charter of the Company of Goldsmiths of Dublin, 1637
 Competition Act, 2002
 Consumer Credit Act, 1995 (Part XI Credit Intermediaries; Part XIV Amendment of Sale of Goods and Supply of Services Act 1980 Sections 2 and 54; Part XV Amendment of Pawnbrokers Act, 1964; and Part XVI Amendment of the Consumer Information Act 1978 Section 9(12)).
 Part II Advertising and Offering Financial Accommodation;
 Part X Miscellaneous;

and Part XIII Mortgage, Credit and Mortgage Intermediary Registers insofar as these parts apply to Credit Intermediaries.

The remainder of this Act is administered by the Department of Finance.)

Consumer Information Act, 1978
 Hallmarking Act, 1981
 Hallmarking of Foreign Plate Act, 1904
 Investment Funds, Companies and Miscellaneous Provisions Act 2005 (Sections 68-74)
 Liability for Defective Products Act, 1991
 Merchandise Marks Acts, 1887-1970
 Metrology Act, 1996
 Occasional Trading Act, 1979
 Packaged goods (Quantity Control) Act, 1980
 Plate Assay Act, 1783
 Plate Assay (Ireland) Act, 1807
 Plate Assay (Amendment) Act, 1931
 Prices Acts, 1958-1972
 Pyramid Selling Act, 1980
 Restrictive Practices (Amendment Act) Act, 1987
 Restrictive Practices (Confirmation of Order) Act, 1987
 Sale of Goods Act, 1893
 Sale of Goods and Supply of Services Act, 1980
 Shop/Hours of Trading Act, 1938
 Trading Stamps Act, 1980

Trade Union and Industrial Relations

Industrial Relations Acts, 1946 to 2004
 Trade Union Acts, 1871 to 1990
 Transnational Information and Consultation of Employees Act, 1996
 Worker Participation (State Enterprises) Acts, 1977 and 1988

Employment and Training

Apprenticeship Act, 1959
 Industrial Training Act, 1967
 Labour Services Act, 1987
 National Training Fund Act, 2000

Appendix 4

Legislation Enacted in 2005

Safety, Health and Welfare at Work Act, 2005

The Safety, Health and Welfare at Work Act 2005 came into operation on 1 September 2005. The Act is a major piece of new legislation in the area of safety and health in the workplace. It replaces the 1989 Act, which established the Health and Safety Authority (HSA). The Act provides a modern legal framework to guarantee best international practice with regard to occupational health and safety in Ireland

Investment Funds, Companies and Miscellaneous Provisions Act 2005

The Investment Funds, Companies and Miscellaneous Provisions Act 2005 made a number of changes to the existing law on investment funds, with a view to providing the greatest flexibility to the Funds Industry while at the same time keeping appropriate controls in place. It provides for the introduction of a new type of investment fund vehicle - the non-UCITS (Undertakings for Collective Investment in Transferable Securities) Common Contractual Fund (CCF) and it also provides for the introduction of cross investment and segregated liability for investment funds.

A number of other changes are made to general company law to remove existing anomalies and pave the way for smooth transposition of EU Directives on Market Abuse and Prospectus. The Act also increases the amount of shares that a member may hold and other financial limits for Industrial and Provident Societies (Co-operatives). In addition, some minor amendments to Consumer Law have been made mostly to increase the level of maximum fines that can be imposed on parties found guilty of breaches of specific consumer legislation.

The Act was signed into law on 29 June 2005 and two Commencement Orders were signed during 2005 (30 June and 9 November).

Appendix 5

Statutory Instruments made during 2005

S.I. No. 24 of 2005

Carriage of Dangerous Goods by Road Act 1998 (Appointment of Competent Authorities) Order 2005.

These Regulations implement the requirements of the European Union Directives on the carriage of dangerous goods by road and those of the associated ADR (European Agreement concerning the international carriage of dangerous goods by road). These Regulations set out functions to be performed by various competent authorities. This Order appoints the various competent authorities for the purposes of the Act.

S.I. No. 25 of 2005

Carriage of Dangerous Goods by Road (Fees and Section 18 Payments) Regulations 2005. The Regulations revoke and replace the Carriage of Dangerous Goods by Road (Fees) Regulations 2001 by specifying revised fees that may be charged by a competent authority, authorised examiner or accreditation body.

S.I. No. 77 of 2005

Redundancy Payments Act 2003 (Commencement) Order 2005. This Commencement Order appointed 10th April, 2005 as the date on which Sections 7, 11 and 12 of the Redundancy Payments Act, 2003 came into operation, providing the legal basis for the new on-line Redundancy Payments IT System and for a simplified methodology for the calculation of statutory redundancy entitlements.

S.I. No. 116 of 2005

European Communities (International Financial Reporting Standards and Miscellaneous Amendments) Regulations 2005

European Council Regulation (EC 1606/2002) dated 19 July, 2002 requires listed companies, including banks and insurance companies, to prepare their consolidated accounts in accordance with International Accounting Standards (IAS) from 2005 onwards. EU Directive 2003/51/EC of 18 June, 2003, which complements Regulation EC 1606/2002 amends the European Union 4th and 7th Company Law Directives which respectively govern the preparation of annual and consolidated accounts.

These Regulations give full effect to Regulation 1606/2002 and give effect to Directive 2003/51/EC and ensure that optional accounting treatments available under International

Accounting Standards as endorsed by the EU are available to companies which continue to have the EU Accounting Directives (implemented in Ireland, by the Companies (Amendment) Act 1986 and the 1992 Group Accounts Regulations) as the basis for their accounts as well as making some other changes to reflect current best reporting practices.

S.I. No. 127 of 2005

Competition Act 2002 (Section 34(11))(Health Insurance Authority) Order 2005 (S.I. No. 127 of 2005):

Section 34 of the Competition Act, 2002 provides for co-operation agreements between the Competition Authority and certain other statutory bodies specified in a list at Schedule 1 of the Act. This Order commences the Competition Authority and the Health Insurance Authority's (HIA) formal co-operation agreement under the Act to facilitate the sharing of information.

S.I. No. 179 of 2005

Companies (Fees) Order 2005

This Order provides for disapplication of filing fees where certain specified documents are filed electronically with the Registrar of Companies.

S.I. No. 203 of 2005

National Minimum Wage Act 2000 (National Minimum Hourly Rate of Pay) Order 2005. This Order increased the national minimum hourly rate of pay to €7.65 from 1 May, 2005.

S.I. No 232 of 2005

European Communities (Materials and Articles Intended to come into Contact with Foodstuffs) Regulations 2005, giving effect to Commission Directive 2004/13/EC of 29 January 2004.

These Regulations were transposed on 4 May, 2005.

S.I. No. 283 of 2005

Carriage Of Dangerous Goods By Road Act 1998 (Fees and Section 18 Payments) (Amendment) Regulations 2005. These Regulations amend the Carriage of Dangerous Goods by Road Act 1998 (Fees and Section 18 Payments) Regulations 2005 (S.I. No. 25 of 2005).

S.I. No. 323 of 2005

Investment Funds, Companies and Miscellaneous Provisions Act 2005 (Commencement) Order 2005

This Order specifies dates on which provisions of the Investment Funds, Companies and Miscellaneous Provisions Act 2005 (No.12 of 2005) come into operation.

S.I. No. 324 of 2005

Prospectus (Directive 2003/71/EC) Regulations 2005

These Regulations, along with Part V of the Investment Funds, Companies and Miscellaneous Provisions Act 2005, transposed EU Directive 2003/71/EC and the implementing Commission Regulation 809/2004 which together set down new rules for the drawing up, approval and distribution of prospectuses when securities are offered to the public or admitted to trading on a regulated market. (A prospectus is a disclosure document containing all the necessary information to enable investors to make an accurate evaluation of the financial position and prospects of the issuer and of the rights derived from the securities being offered.) The new legislation took effect on 1 July 2005 and updated and upgraded earlier requirements in this area.

S.I. No. 328 of 2005

Safety, Health and Welfare at Work Act 2005 (Commencement) Order 2005.

The purpose of these Regulations was to set 1st September 2005 as the date on which the Safety, Health and Welfare at Work Act 2005 came into operation.

S.I. No. 331 of 2005

European Communities (Restrictive Measures) (Ivory Coast) Regulations 2005 (29 June 2005)

The effect of this Order is to provide for penalties for infringements of Council Regulation (EC) No. 174/2005 which introduced a ban on technical assistance and the provision of finance relating to military activities and the sale, supply, transfer or export of equipment that might be used for internal repression in respect of the Ivory Coast

S.I. No. 342 of 2005

Market Abuse (Directive 2003/6/EC) Regulations 2005

These Regulations, which came into effect on 6 July 2005, along with Part 4 of the Investment Funds, Companies and Miscellaneous Provisions Act 2005 transposed the Market Abuse Directive (MAD) which provides for the prevention, detection, investigation and sanctioning of insider dealing and market manipulation. The MAD consists of four EU Directives - the principal 'framework' Directive 2003/6/EC on insider dealing and market manipulation (Market Abuse) and detailed implementing Directives, 2003/124/EC, 2003/125/EC and 2004/72/EC. (Another related instrument, EU Regulation 2273/2003, which has direct application, implements Directive 2003/6/EC as regards exemption for buy-back programmes and stabilisation of financial instruments.) The new legislation applies to any financial instrument admitted to trading on a regulated market (or where a request for admission to trading has been made) and introduces a new offence in Irish law, namely, market manipulation.

These Regulations largely replace Part V of the Companies Act 1990, which previously provided for insider dealing, and the Companies (Amendment) Act 1999, which provided for stabilising activity in relation to the issue or sale of securities.

S.I. No. 365 of 2005

Companies (Fees) (No. 2) Order 2005

This Order provides for a reduction in or disapplication of filing fees where certain specified documents are filed electronically with the Registrar of Companies and for an increase in filing fees where those documents are delivered in paper format to the Registrar of Companies.

S.I. No. 366 of 2005

Business Names Regulations 2005

These Regulations provide for a reduction in or disapplication of filing fees where certain specified documents are filed electronically with the Registrar of Business Names and for an increase in filing fees where documents are delivered in paper format to the Registrar of Companies.

S.I. No. 382 of 2005

Companies Act, 1990 (Prescribed Alternative Accounting Standards Bodies) Regulations 2005

These Regulations prescribe the bodies in the United States, Canada and Japan which have the authority to lay down accounting standards with which investment companies may comply. The Regulations are made under Section 260A of the Companies Act 1990 as inserted by Section 28 of the Investment Funds, Companies and Miscellaneous Provisions Act 2005.

S.I. No. 392 of 2005

Safety, Health and Welfare at Work (General Application) (Revocation) Regulations 2005. These Regulations revoke those provisions of the Safety, Health and Welfare at Work (General Application) Regulations 1993 (S.I. No. 44 of 2003)[as amended by the Safety, Health and Welfare at Work (General Application)(Amendment) Regulations 2003 (S.I. No. 53 of 2003)] that were incorporated into the Safety, Health and Welfare at Work Act 2005 (No. 10 of 2005). They also revoke the Safety, Health and Welfare at Work (General Application)(Amendment No. 2) Regulations 2003 (S.I. No. 53 of 2003) in their entirety.

S.I. No. 517 of 2005

Companies (Fees) (No. 3) Order 2005

This Order provides for the introduction from 1 December 2005 of a new table of fees to be paid to the Registrar of Companies. The table makes separate provision for fees payable in respect of paper transactions and fees payable in respect of electronic transactions. The Order also revokes the Companies (Fees) (No. 2) Order 2005 (S.I. No. 365 of 2005) which will not come into operation.

S.I. No. 528 of 2005

European Communities (Protection of Employees) (Part-Time Workers) Regulations 2005

These Regulations remove the provision in the Labour Services Act 1987 (No. 15 of 1987) (Paragraph 10(c) of Part II of the Schedule) that an employee must work not less than 18 hours a week for FÁS before being entitled to vote in Worker Director Elections. The Regulations also remove the provision (in Paragraph 11 of Part II of the Schedule) that an employee must work not less than 18 hours a week for FÁS to be eligible to be nominated as a candidate at the Elections. This is to give full effect to Section 9 of the Protection of Employees (Part-Time Work) Act 2001 (No. 45 of 2001), which outlaws the discrimination of part-time workers.

S.I. No.544 of 2005

European Communities (Materials and Articles Intended to come into Contact with Foodstuffs)(Amendment)(No.2) Regulations 2005 giving effect to Commission Directive 2004/14/EC of 29 January 2004.

These Regulations were transposed on *30 August 2005*.

S.I. No. 630 of 2005

European Communities (Protection of Employees (Employers' Insolvency)) Regulations 2005. These regulations transposed EU Directive 2002/74/EC by amending the Protection of Employees (Employers' Insolvency) Act 1984. New provisions extend the Act to cover employees in Ireland of companies that have become insolvent under the laws of another Member State. A number of other employment rights-related awards were also added to the Act.

S.I. No. 653 of 2005

Enterprise, Trade and Employment (Delegation of Ministerial Functions) (No. 2) Order 2004. This Order delegates the to Michael Ahern TD, Minister of State for Trade and Commerce the Statutory powers and duties of the Minister for Enterprise Trade and Employment contained in the investment Funds Companies and Miscellaneous Provisions Act 2005

S.I. No. 682 of 2005

Protection of Employees (Employers' Insolvency) (Forms and Procedure) Regulations 2005. These Regulations prescribe revised forms and certificates to be used in relation to claims under Section 6 and Section 7 of the Protection of Employees (Employers' Insolvency) Act 1984.

S.I. No. 686 of 2005

Companies (Auditing and Accounting) Act 2003 (Commencement) Order 2005 fixed 1 December, 2005 as the date on which section 47 of the Companies (Auditing and Accounting) Act, 2003 came into operation to the extent that it was not already in operation by virtue of article 5 of S.I. No. 132 of 2003.

S.I. No. 693 of 2005**Companies Act 1990 (Uncertificated Securities) (Amendment) Regulations 2005**

These Regulations amend the Companies Act, 1990 (Uncertificated Securities) Regulations, 1996 in order to facilitate the introduction of a Central Counterparty system for the Irish securities market.

S.I. No 694 of 2005**Companies (Forms) Order 2005**

The purpose of this Order is to prescribe a form to be used for the notification pursuant to section 57(4)(a), Investment Funds, Companies and Miscellaneous Provisions Act 2005, by a company to the registrar of companies of the authorisation of an electronic filing agent, and for the notification pursuant to section 58(2) of the 2005 Act by a company to the registrar of the revocation of authorisation of its electronic filing agent.

S.I. No. 695 of 2005**Investment Funds, Companies and Miscellaneous Provisions Act 2005 (Commencement) (No. 2) Order 2005**

This Order fixes 1 December 2005 as the date on which sections 57, 58, 61 and 71 of the Investment Funds, Companies and Miscellaneous Provisions Act 2005 come into operation.

S.I. 735 of 2005**Business Names (No. 2) Regulations 2005**

The purpose of these Regulations is to decrease the fee for provision by the Registrar of Business Names to any person of an uncertified copy or extract from any Business Names document or part of any such document filed with the Registrar, whether furnished to that person in paper format or electronically.

S.I. No. 737 of 2005**Companies (Fees) (No. 4) Order 2005**

This Order lays down the fee to be paid in respect of the filing of Form B77 (notification to the registrar of companies of the appointment/revocation of appointment of an electronic filing agent by a company), and makes separate provision for the fee payable in respect of a paper notification and the fee payable in respect of an electronic notification.

S.I. No 791 of 2005

Companies (Auditing and Accounting) Act 2003 (Commencement) (No.2) Order 2005 provides for the commencement of certain provisions of the Companies (Auditing and Accounting) Act, 2003 which allow for establishment of the Irish Auditing and Accounting Supervisory Authority (IAASA).

S.I. No. 800 of 2005**European Communities (Restrictive Measures) (Democratic Republic of Congo) Regulations 2005 (1 December 2005)**

The effect of this Order is to provide for penalties for breaches of Council Regulation (EC) No. 889/2005, which introduced a ban on technical assistance and the provision of finance relating to military activities in respect of the Democratic Republic of Congo.

S.I. No. 840 of 2005

European Communities (Adjustment of Non-comparable Amounts in Accounts and Distributions by Certain Investment Companies) Regulations 2005

These regulations make amendments to the Companies Acts 1963-2005 consequential on changes in accounting practice for financial years beginning on or after 1 January 2005. Similar changes are also made for Credit Institutions and Insurance Companies.

S.I. 844 of 2005

European Communities (Detergents) Regulations 2005

These Regulations give further effect to Council Regulation 648/2004, which consolidates and amends Community legislation in relation to the biodegradability of surfactants in detergents, labelling of detergents and related matters.

S.I. No. 845 of 2005

Social Economy Programme (Transfer of Departmental Administration and Ministerial Functions) Order 2005.

This Order transfers to the Minister for Community Rural and Gaeltacht Affairs and to the Department of Community, Rural and Gaeltacht Affairs, respectively, with effect from the 1st January 2006, Departmental Administration and Ministerial functions in relation to the Social Economy Programme".

S.I. No.884 of 2005

Control of Exports Order, 2005 (22 December 2005)

The effect of this Order is to enable the Minister, in exercise of the powers conferred on him by section 2 of the Control of Exports Act, 1983 (No. 35 of 1983) to control the export of the goods indicated in the Schedule to this Order (Military and Paramilitary Goods).

S.I. No. 885 of 2005

Customs-Free Airport (Extension of Laws) Regulations 2005 (22 December 2005).

The effect of this Order is to extend the provisions of the Control of Exports Order, 2005 (S.I. No. 884 of 2005) to the Customs-Free Airport.

Appendix 6

Directives adopted at EU Level during 2005

2005/29/EC

Concerning Unfair Business-to-Consumer Commercial Practices.

2005/ 56/EC

Directive 2005/ 56/EC of the European Parliament and of the Council of 26 October 2005 on cross-border mergers of limited liability companies

Directive 2005/88/EC of the European Parliament and of the Council of 14 December 2005 amending Directive 2000/14/EC on the approximation of the laws of the Member States relating to the noise emission in the environment by equipment for use outdoors.

2005/59/EC

Directive 2005/59/EC of the European Parliament and of the Council of 26 October 2005 amending for the 28th time Council Directive 76/769/EEC on the approximation of the laws, regulations and administrative provisions of the member States relating to restrictions on the marketing and use of certain dangerous substances and preparations (Toluene and Trichlorobenzene).

2005/69/EC

Directive 2005/69/EC of the European Parliament and of the Council of 16 November 2005 amending for the 27th time Council Directive 76/769/EEC on the approximation of the laws, regulations and administrative provisions of the member States relating to restrictions on the marketing and use of certain dangerous substances and preparations (polycyclic aromatic hydrocarbons in extender oils and tyres).

2005/84/EC

Directive 2005/84/EC of the European Parliament and of the Council of 14 December 2005 amending for the 22nd time Council Directive 76/769/EEC on the approximation of the laws, regulations and administrative provisions of the member States relating to restrictions on the marketing and use of certain dangerous substances and preparations (phthalates in toys and childcare articles).

Appendix 7

Employment Regulation Orders made during 2005

ERO's

The following Employment Regulation Orders were made in 2005, setting minimum rates of pay and regulating conditions of employment in the industries concerned:

Aerated Waters and Wholesale Bottling Joint Labour Committee, S.I. No. 195 of 2005;

Agricultural Workers Joint Labour Committee, S.I. No. 375 of 2005;

Catering Joint Labour Committee (County Borough of Dublin and Borough of Dun Laoghaire), S.I. No. 723 of 2005;

Catering Joint Labour Committee (excluding County Borough of Dublin and Borough of Dun Laoghaire), S.I. No. 702 of 2005;

Contract Cleaning (City and County of Dublin) Joint Labour Committee, S.I. No. 523 of 2005;

Contract Cleaning (excluding City and County of Dublin) Joint Labour Committee, SI No 524 of 2005;

Hairdressing (Dublin, Dun Laoghaire and Urban District of Bray) Joint Labour Committee, S.I. No. 376 of 2005;

Hairdressing (Cork City) Joint Labour Committee, S.I. No. 377 of 2005;

Handkerchief and Household Piece Goods Joint Labour Committee, S.I. No. 609 of 2005;

Hotels Joint Labour Committee, S.I. No. 558 of 2005;

Law Clerks Joint Labour Committee, S.I. No. 214 of 2005;

Provender Milling Joint Labour Committee, S.I. No. 194 of 2005;

Retail Grocery and Allied Trades Joint Labour Committee, S.I. No. 567 of 2005;

Security Industry Joint Labour Committee, S.I. No. 78 of 2005;

Shirtmaking Joint Labour Committee, S.I. No. 606 of 2005;

Tailoring Joint Labour Committee, S.I. No. 607 of 2005;

Women's Clothing and Millinery Joint Labour Committee, S.I. No. 608 of 2005.

REA's (Registered Employment Agreements)

At the end of 2005, there were 45 Employment Agreements on the Register maintained by the Labour Court. The following agreements were varied during 2005:

Construction Industry (Wages and Conditions of Employment) (2);

Electrical Contracting Industry (1);

Footwear, Drapery and Allied Trades (1).

Appendix 8

Bodies and Offices associated with the Department

Part 1 - State-Sponsored Bodies and their Boards

ENTERPRISE IRELAND

Wilton Park House, Wilton Place, Dublin 2. Telephone 01 8082000

Merrion Hall, Strand Road, Sandymount, Dublin 4. Telephone 01 808 2000:

Glasnevin, Dublin 9. Telephone 01 808 2000.

Website: www.enterprise-ireland.com,

Email: info@enterprise-ireland.com

Enterprise Ireland, which was established in July 1998, seeks to accelerate Ireland's national and regional development by working with Irish companies to develop and compete so that they can grow on world markets. Enterprise Ireland brings together the key marketing, technology, enterprise development, business training and science and innovation initiatives through which the Government supports the growth of Irish industry.

Chairperson: Pat Molloy

Other Board Members: Frank Ryan (Chief Executive), Kieran Mc Gowan, Elaine Farrell, Brian Kearney, Veronica Perdisatt, Heather Ann McSharry, Gus Fitzpatrick, Lorraine Benson, John Connolly, Margaret Daly, Gerard O'Malley

FORFÁS

Wilton Park House, Wilton Place, Dublin 2. Telephone 01-607 3000, Fax 607 3030

Website: www.forfas.ie, Email: info@forfas.ie

Forfás is the national policy and advisory body for enterprise, trade, science, technology and innovation.

Chairperson: Eoin O' Driscoll

Other Board members: Martin Cronin, Sean Dorgan, Frank Ryan (appointed 12/11/03), William Murphy, Jane Williams, Rody Molloy, Sean Gorman, Fergal O'Rourke, Professor Michael Hillery, Dr Donald Thornhill (appointed 18/06/03), Dr William Harris (appointed 11/09/03) Ms Rosheen McGuckian (appointed 13/04/2005).

SCIENCE FOUNDATION IRELAND (SFI)

Wilton Park House, Wilton Place, Dublin 2. Telephone 01-6073200, Fax 01-6073201

Website: www.sfi.ie, Email: webmaster@sfi.ie

Chairperson: Dr. Pat Fottrell

Other Board Members: Dr William C. Harris (Director General), Mr. Frank Mc Cabe (Deputy Chairperson), Dr. Don Thornhill, Mr. Erich Bloch (retired 25.07.05), Dr Jacqueline Hunter, Dr. Kristina Johnson, Mr. John Travers, Dr. Jane Grimson, Dr. Jim Mountjoy, Dr. Martina Newell, McGloughlin, Mr Ned Costello, Mr Peter Mac Donagh (appointed 30.09.05).

Science Foundation Ireland (SFI) – the National Foundation for Excellence in Scientific Research - was established to support research excellence in strategic technologies deemed capable of driving economic competitiveness in the longer term.

IDA IRELAND

Wilton Park House, Wilton Place, Dublin 2. Telephone 01-603 4000

Website: www.idaireland.com, Email: idaireland@ida.ie

This body is responsible for the attraction to and development of overseas industry within Ireland.

Chairperson: John Dunne

Other Board Members: Sean Dorgan (Chief Executive), Nial Ring, Kieran Corrigan, Brian Whitney, Thomas G Lynch, Brid Horan, Bernard Collins, Loreta Brennan Glucksman, Paul Mackay, Gerard O Mahoney.

NATIONAL COMPETITIVENESS COUNCIL

The National Competitiveness Council (NCC) is a social partnership body and was established in May 1997 as part of the Partnership 2000 Agreement. Each year it is required to report to both the Taoiseach and the Minister for Enterprise, Trade & Employment, on key competitiveness issues for the Irish economy together with recommendations on policy actions required to enhance Ireland's competitive position. Forfás provides the NCC's secretariat.

Website: www.forfas.ie/ncc Email: ncc@forfas.ie

Chairperson: Dr. Don Thornhill

Other Board Members: Rory Ardagh, Brendan Butler, Donal Byrne, Martin Cronin, Pat Delaney, Thia Hennessy, Annette Hughes, Patrick O'Brien, Seamus O'Morain, William Slattery, Paul Sweeney, John Travers, Professor Ferdinand von Prondzinski, John Fingleton, Peter McLoone.

Mr. Peter McLoone resigned November 22nd, 2005.

Mr. John Fingleton resigned September 1st, 2005.

NITRIGIN EIREANN TEO

Department of Enterprise, Trade and Employment

Earlsfort Centre

1-3 Lower Hatch Street

Dublin 2.

Telephone 01-631 2924

Email: niamh_griffin@entemp.ie

Established by Government in 1961 as a private limited company to set up a nitrogenous fertiliser industry in Ireland - NET is now a 51% shareholder in Irish Fertiliser Industries Ltd., which went into liquidation in November, 2002.

Chairperson: Ronald Long

Other Board Members: Jim O'Brien, Conor O'Mahony

Company Secretary: Niamh Griffin

NATIONAL STANDARDS AUTHORITY OF IRELAND

Glasnevin, Dublin 9.

Telephone: 01-8073800

Fax: 01-8073838

E-mail: nsai@nsai.ie

Website: www.nsai.ie

The National Standards Authority of Ireland operates under the National Standards Authority of Ireland Act, 1996, on behalf of the Minister for Enterprise, Trade and Employment. The Authority's primary functions are the development and publication of standards, the provision of a comprehensive product and management system certification service, Agrément certification of building and civil engineering products and Legal Metrology for the establishment of confidence in trade measurements. The Legal Metrology Service operates under the Metrology Acts, 1980-1998. The governing board of NSAI is appointed by the Minister for Enterprise, Trade and Employment and represents a cross-section of industrial and government interests.

Chairperson: Dan Tierney

Secretary: Patrick Bracken

Other Board Members: Ursula MacEvilly, Patrick J. Coffey, Dorothea Dowling, Sean J. McCarthy, John Hewitt, Anne Riordan, Niall Fitzsimons, Edmond Stack, Paul Bennett, Des O'Loughlin, Rose Hynes.

Chief Executive: Simon Kelly

[Ms Dorothea Dowling and Mr. Patrick J. Coffey were re-appointed with effect from 15th April 2005]

[Dr. Sean J. McCarthy was re-appointed with effect from 29th June 2005]

SHANNON FREE AIRPORT DEVELOPMENT COMPANY LTD

Town Centre, Shannon, Co. Clare. Telephone 061-361 555.

Website: www.shannon-dev.ie, Email: info@shannon-dev.ie

Shannon Development's Mission Statement is Pioneering Regional Development for the Knowledge Age.

Chairperson: Liam McElligott

Other Board Members: John Brassil, Brian O'Connell, Ronald Carroll, William Loughnane, Paul O'Brien, Patricia Collins, Dr. Roger Downer, Noreen Foran, Peter R. Schutz, Kieran Grace.

Chief Executive: Kevin Thompstone

FÁS

27-33 Upper Baggot Street, Dublin 4.

Telephone 01-607 0500.

Website: www.fas.ie

The functions of FÁS include the operation of training and employment programmes, the provision of a placement service for industry and support for co-operative and community-based enterprises.

Chairperson: Peter McLoone

Other Board Members: Ruth Carmody, Caroline Casey, Tim Duggan, Des Geraghty, Jenny Hayes, Brian Keogh, Sally Anne Kinahan, Danny McCoy, Margaret Mernagh, Dermot Mulligan, James O'Leary, Brian O'Raghallaigh, Alice Prendergast, Niall Saul, Frank Walsh, Owen Wills.

Director General: Rody Molloy

HEALTH AND SAFETY AUTHORITY

10 Hogan Place, Dublin, 2. Telephone No. 01-6147000, Lo-call 1890 289 389.

Website: <http://www.hsa.ie>

The Authority has responsibility for the administration and enforcement of occupational safety and health legislation. It provides information, advice and guidance for employers, workers, the self-employed and others to whom occupational safety and health legislation applies or is of relevance.

Chairman: Jim Lyons

Vice-Chairman: Peter McCabe

Other Board Members: Sylvester Cronin, Fergus Whelan, Christina McEleney, Rosie Sheerin, Tony Briscoe, Louise O'Donnell, Martin Lynch, Pat Kearney, Yvonne O'Sullivan, Ann Marie Hayes.

Chief Executive: Mr. Tom Beegan

COMPETITION AUTHORITY

Parnell House, 14 Parnell Square, Dublin 1

Telephone 01 804 5400. Fax No: 8045401

Website: www.tca.ie

The function of the Competition Authority is to promote greater competition in all sectors of the economy by tackling anti-competitive practices and by increasing awareness of such practices. As of 1st January, 2003, the Authority assumed responsibility for examining and deciding upon mergers and acquisitions notified under the Competition Act, 2002.

Chairman: Mr William Prasifika

Secretary: Ciaran Quigley

Members: Declan Purcell, Stanley Wong, Paul Gorecki

NORTH SOUTH IMPLEMENTATION BODY

INTERTRADEIRELAND

The Old Gasworks Business Park, Kilmorey Street, Newry, Co. Down. BT34 2DE

Telephone: 048 3083 4100. Fax: 048 3083 4155

Website: www.intertradeireland.com, Email: info@intertradeireland.com

INTERTRADEIRELAND - The Trade and Business Development Body was established under the British-Irish Agreement Act, 1999. It is one of six North/South Implementation Bodies arising from the Good Friday Agreement of 1998.

InterTradeIreland's Mission for the period 2005-2007 is to enhance the global competitiveness of the all-island economy to the mutual benefit of Ireland and Northern Ireland through measures such as the creation of knowledge-intensive all-island trade and business development networks and the implementation of all-island trade and business development programmes.

InterTradeIreland is co-funded by the Department of Enterprise, Trade and Employment and the Department of Enterprise, Trade and Investment in the North on a two thirds, one third basis respectively.

Chairperson:	Dr. Martin Naughton
Chief Executive:	Liam Nellis
Board Members:	Mary Ainscough, Barry Fitzsimons, Jackie Harrison, John Fitzgerald, Jack Gilmour, Carl McCann, Feargal McCormack, Inez McCormack, Robbie Smith,

PERSONAL INJURIES ASSESSMENT BOARD (PIAB)

P.O. BOX 8, Clonakilty, Co. Cork

Telephone: 1890 829 121

Website: www.piab.ie Email: enquiries@piab.ie

Chief Executive Officer:	Ms Patricia Byron
Chairperson:	Ms Dorothea Dowling
Other Board Members:	Senator Joe O'Toole (Vice-Chairperson), Mr John Fay, Mr Tom Noonan, Mr Pat Healy, Ms Carmel Foley, Ms Mary O'Dea, Ms Frances Cooke, Mr Frank Cuneen, Professor Denis Cusack.

CRAFTS COUNCIL OF IRELAND (CCOI)

Castle Yard, Kilkenny.

Telephone: 056-7761804

Fax: 056-7763754

Website: www.ccoi.ie

E-mail: info@ccoi.ie

The Crafts Council of Ireland (CCOI) is a limited company set up by the craft industry and is responsible for managing and developing its policy on behalf of member organisations and the Irish craft industry. Enterprise Ireland has primary responsibility for overseeing the activities of the CCOI, which are funded by the Department of Enterprise, Trade and Employment via Enterprise Ireland.

Ministerial Appointments to the Board

Chairperson:	Martin Walsh
Board Members:	Giles O'Neill, Jean Byrne, Jim Dunne, Ann Foy,
Other Board Members:	Sarah Daly, Lorretta O'Brien, Mike Weerakoon, Anne Montgomery, JP Donnelly, Emmet Kane, Laura O'Hagan, David Shaw-Smith, Peter Pollock, Christine Charlton.

Appendix 8

Bodies and Offices associated with the Department

Part 2 - Offices Associated with the Department

LABOUR RELATIONS COMMISSION

Tom Johnson House, Haddington Road, Dublin 4.

Telephone 01- 613 6700. Fax No: (01) 613 6701.

Lo-Call number: 1890 220 227.

Website address: www.lrc.ie E-mail address: info@lrc.ie

The Labour Relations Commission, established under the Industrial Relations Act 1990, has overall responsibility for promoting the improvement of industrial relations, and does so by providing a range of services including a Conciliation Service, a Rights Commissioner Service and an Advisory Services Division. If every effort has been made to resolve the issue in dispute within the undertaking concerned and local procedures have been exhausted, industrial disputes should first be referred to the Labour Relations Commission unless there is provision, under the Industrial Relations legislation for direct reference of the dispute to the Labour Court.

Chairperson:	Maurice Cashell
Trade Union Nominees:	Peter McLoone, Peter Bunting
Employer Nominees:	Liam Downey, Brendan McGinty
Other Members:	Josephine Feehily, Breege O'Donoghue
Chief Executive:	Kieran Mulvey
Director of Conciliation:	Kevin Foley
Director of Advisory Service:	Declan Morrin
Director of Corporate Services:	Freda Nolan

CONCILIATION SERVICE

The Conciliation Service of the Labour Relations Commission provides an independent third party service to assist in the resolution of industrial disputes. The service provides, free of charge, a conciliator to assist parties to resolve issues in dispute. The service consistently achieves a settlement rate of 80% of all disputes referred to it.

The Commission encourages parties to make every effort to resolve the issue in dispute within the undertaking concerned and to exhaust local procedures. Where local procedures have been exhausted, industrial disputes may be referred to the Labour Relations Commission, with the agreement of both parties, for conciliation.

The Conciliation and Advisory Services also provide, on a cross-divisional basis, a Workplace Mediation Service, which provides a prompt, confidential and effective remedy to workplace conflicts, disputes and disagreements. Workplace mediation is particularly suited to disputes involving individuals or small groups of workers.

ADVISORY SERVICES DIVISION

The Advisory Services Division promotes good industrial relations and human resource management practice throughout Ireland by working with employers, employees and trade unions in non-dispute situations to develop effective practices, procedures and structures that best meet their needs.

RIGHTS COMMISSIONER SERVICE

Tom Johnson House, Haddington Road, Dublin 4.

Telephone (01) 6136700

The Rights Commissioner Service is a service of the Labour Relations Commission.

The Service investigates disputes, grievances and claims that individuals, or small groups of workers make under certain legislation. Rights Commissioners are independent in the performance of their duties and provide a broad range of investigative functions under a wide variety of employment legislation. The following is a complete list of legislation under which Rights Commissioners have jurisdiction:

Adoptive Leave Act 1995

Carers Leave Act 2001

Competition Act 2002

Health, Safety and Welfare at Work Act 2005

Industrial Relations Acts 1969 and 1990

Industrial Relations (Miscellaneous Provisions) Act 2004

Maternity Protection Act 1994

National Minimum Wage Act 2000

Organisation of Working Time Act 1997

Parental Leave Act 1998

Payment of Wages Act 1991

Protection of Employees (Fixed-Term Work) Act 2003
 Protection of Employees (Part – Time Work) Act 2001
 Protection of Young Persons (Employment) Act 1996
 Protections for Persons Reporting Child Abuse Act 1998
 Terms of Employment (Information) Act 1994
 Unfair Dismissals Acts 1977 to 1993
 European Communities (Protection of Employment) Regulations 2002
 European Communities (Protection of Employees on Transfer of Undertakings) Regulations 2003

Rights Commissioners: Tony Bregazzi, Joan Carmichael, Gerry Fleming, Janet Hughes, David Iredale, Mark A. McGrath, Lenore Mrkwicka (resigned November 2005), Michael Rooney.

LABOUR COURT

Tom Johnson House, Haddington Rd, Dublin 4.

Tel No: (01) 613 6666. Fax No: (01) 613 6667.

Lo-Call number: 1890 220 228.

Website: www.labourcourt.ie

E-mail: info@labourcourt.ie

The Labour Court was established under the Industrial Relations Act 1946. It provides a free, comprehensive service for the investigation and resolution of disputes in the areas of industrial relations, employment equality, organisation of working time, national minimum wage, part-time work and fixed-term work. The Court makes Employment Regulation Orders prescribing legally enforceable minimum rates of pay and conditions of employment in those sectors covered by Joint Labour Committees. The Court also registers employment agreements, the effect of which makes the provisions of the agreement legally enforceable.

Chairperson: Kevin Duffy
Deputy Chairpersons: Caroline Jenkinson, Raymond McGee
Employers' Members: John Doherty, Robert Grier, Eamon Carberry, Peter Murphy (from 17/09/05), Patrick Pierce (temporary appointment)

Workers' Members: Pádraigin Ní Mhurchú, Noel O'Neill, Jack Nash

Registrar: Hugh O'Neill

EMPLOYMENT APPEALS TRIBUNAL

Davitt House, 65A Adelaide Road, Dublin 2.

Telephone 01 - 631 2121

Website: www.entemp.ie/erir/empll_appeal.htm

The purpose of the Tribunal is to determine matters in dispute arising from the following legislation: the Redundancy Payments Acts 1967, 1971, 1979 and 2003, the Minimum Notice and Terms of Employment Act 1973, the Unfair Dismissals Acts 1977 and 1993, the Protection of Employees (Employers' Insolvency) Act 1984, the Payment of Wages Act 1991, the Terms of Employment (Information) Act 1994, the Maternity Protection Act 1994, the Adoptive Leave Act 1995, the Protection of Young Persons (Employment) Act 1996, the Organisation of Working Time Act 1997, the Parental Leave Act 1998, the Protections for Persons Reporting Child Abuse Act 1998, the European Communities (Protection of Employment) Regulations 2000, the Carer's Leave Act 2001, and the European Communities (Protection of Employees on Transfer of Undertakings) Regulations 2003.

The term of the Chairman will expire on 29 January, 2008 and the terms of the Vice-Chairmen and Members will expire on 29 January, 2007. Details of the membership of the Tribunal are given below.

Chairperson	Kate O' Mahony	
Vice-Chairmen		
Kieran Buckley	Patrick Goold	Penelope McGrath
Dymphna Cusack	Con Guiney	Leachlain S Ó Catháin
Emile Daly	Tony Halpin	Mark O'Connell
Catherine Egan	Dara Hayes	Thomas O'Donoghue
John Fahy	Elva Kearney	Peter J. O'Leary
Fergal T Fitzgerald Doyle	Kevin P. Kilrane	Marian Petty
James Flanagan	Margaret Levey	Moya Quinlan
Myles Gilvarry	Sean Mahon	Joe Revington

Clodagh Gleeson	Eoin Martin	Tom Ryan
Bernie Glynn	Dermot McCarthy	Jeremiah Sheedy
	Geraldine Small	

Trade Union Nominees

Frank Barry	Ben Kearney	Alice Moore
Rita Bergin	Hillary Kelleher	Jim Moore
Eveta Brezina	Tony Kenneally	Sam Nolan
Nick Broughal	George Lamon	Owen Nulty
Brendan Byrne	Sean Mackell	Clare O'Connor
Paul Clarke	Mary Maher	Kevin O'Connor
Anne Clune	Des Mahon	Seamus O'Donnell
Jim Dorney	Margaret McArdle	Emer O'Shea
Breda Fell	John McDonnell	Ciaran Ryan
Kay Garvey	Dominic McEvoy	Tom Wall
Noirin Greene	Michael McGarry	Kitty Warnock
George Hunter	Bernard McKenna	Paddy Woods

Employer Nominees

Patrick Bracken	Richard Keating	Neil Ormond
Joe Brown	Mel Kennedy	Gerry Phelan
William Browne	Don Moore	Pat Pierce
Pat Casey	Desmond Morrison	Peter Pierson
Frank Cunneen	Michael J. Murphy	William Power
Ann Delahunty	Roger Murphy	Robert D E Prole
Moss Flood	Gerry McAuliffe	Jim Redmond
Michael Forde	Cyril McHugh	John Reid
Tom Gill	Billy O'Carroll	Eamon Ryan
James Goulding	Terence O'Donnell	Marie Sweeney
John Guinan	Paul O'Leary	John Walsh
Ben Kealy	James O'Neill	Declan Winston

OFFICE OF THE DIRECTOR OF CONSUMER AFFAIRS

4 Harcourt Road, Dublin 2. Telephone 01 402 5500 Lo-call
Tel: 1890 220229

Website: www.odca.ie E-mail: odca@entemp.ie

The Director is an independent statutory officer, responsible for providing advice and information to consumers and for the enforcement of a wide range of consumer protection laws, including laws on deceptive trading practices, restrictive practices (groceries), consumer credit, package travel, unfair contract terms, timeshare, consumer safety (mandatory standards), food labelling, textile labelling, unit pricing and price displays.

Director of Consumer Affairs: Carmel Foley

Principal Officer: Jack Thompson

PATENTS OFFICE

Government Buildings, Hebron Road, Kilkenny

Telephone 056-7720111 Lo-Call Tel:1890-220223

Fax : 056-7720100 Lo-Call Fax: 1890-220120

E-mail: patlib@entemp.ie

Website: www.patentsoffice.ie

The Patents Office is responsible for the grant of patents for inventions and for the registration of trade marks and designs. The Controller also has functions in relation to the adjudication of certain copyright disputes.

Controller: Sean Fitzpatrick

COMPANIES REGISTRATION OFFICE

Parnell House, 14 Parnell Square, Dublin 1. Telephone 01
804 5200

Website: www.cro.ie

Fax No: 01 804 5222 Lo-Call Tel 1890-220226

The Companies Registration Office is the central depository of public statutory information on Irish companies. Its main functions include the incorporation of companies; the registration of business names, of charges on companies, of other post-incorporation documents and of changes in

business name particulars. The office has an extensive enforcement programme in respect of the filing of returns.

Registrar: Paul Farrell

OFFICE OF THE REGISTRAR OF FRIENDLY SOCIETIES

Parnell House, 14 Parnell Square, Dublin 1. Telephone 01
804 5499

Fax 01 8045498 Lo-Call Tel 1890-220 225

The Office of the Registrar of Friendly Societies is a statutory independent office responsible for the registration and general regulation of friendly societies, trade unions and industrial and provident societies (co-operatives).
Registrar: Paul Farrell

OFFICE OF THE DIRECTOR OF CORPORATE ENFORCEMENT

Address : 16 Parnell Square, Dublin 1.

Telephone: 01 8585800 LoCall service : 1890 315015

Fax : 01 8585801 Website : www.odce.ie Email :
info@odce.ie

The Office of the Director of Corporate Enforcement was established on 28 November 2001 under the Company Law Enforcement Act 2001. The Director of Corporate Enforcement is required to be independent in discharging his compliance and enforcement role with respect to the Companies Acts 1963-2001. His functions include encouraging compliance with the Companies Acts, investigating suspected offences under the Acts and initiating civil and summary criminal proceedings in the Courts. The Director has a general supervisory role in respect of liquidators and receivers.

Director: Paul Appleby

Principal Officers: Barry Harte, Eamonn McHale

Principal Solicitor: Ann Keating

Corporate Compliance Manager: Kevin Prendergast

IRISH AUDITING AND ACCOUNTING SUPERVISORY AUTHORITY (IAASA)

Address: Willow House, Millennium Park, Naas, Co Kildare

Telephone: 045 983600

Fax.: 045 983601 Website: www.iaasa.ie E-mail:
info@iaasa.ie

The Companies (Auditing and Accounting) Act, 2003 provides for the establishment on a statutory basis of an independent regulatory body, the Irish Auditing and Accounting Supervisory Authority (IAASA). Up to the time of its establishment on a statutory basis on 3 January 2006, IAASA was operating on an interim basis since April 2001. IAASA's principal function under the 2003 Act is to supervise how prescribed accountancy bodies regulate and monitor their members.

Chief Executive Officer: Ian Drennan

Secretary: Jane Meehan

Chairperson: Mrs Karen Erwin

Appendix 8

Bodies and Offices associated with the Department

Part 3 - County and City Enterprise Boards

COUNTY AND CITY ENTERPRISE BOARDS

CARLOW Michael P. Kelly, Carlow County Enterprise Board,
Enterprise House, O'Brien Road, Carlow.
Phone: 059 – 913-0880
FAX: 059 – 913-0717
E-Mail: enterprise@carlow-ceb.com
Website: www.carlow-ceb.com

CAVAN Vincent Reynolds, Cavan County Enterprise Board,
Cavan Innovation & Technology Centre,
Dublin Road, Cavan.
Phone: 049 – 437-7200
FAX: 049 – 437-7250
E-Mail: info@cceb.ie
Website: www.cceb.ie

CLARE Eamon Kelly, Clare County Enterprise Board,
Enterprise House, Mill Road, Ennis, Co. Clare.
Phone: 065 - 684-1922
FAX: 065 - 684-1887
E-Mail: clareceb@clareceb.ie
Website: www.clareceb.ie

CORK CITY Dave Cody, Cork City Enterprise Board,
1/2, Bruach na Laoi, Union Quay, Cork.
Phone: 021 – 496-1828
FAX: 021 – 496-1869
E-Mail: info@corkceb.ie
Website: www.corkceb.ie

NORTH CORK Rochie Holohan, North Cork County Enterprise Board,
26, Davis Street, Mallow, Co. Cork.
Phone: 022 - 43235
FAX: 022 - 43247
E-Mail: corknent@iol.ie
Website: theenterpriseoffice.com

SOUTH CORK Jim Brennan, South Cork County Enterprise Board,
Unit 6a, South Ring Business Park,
Kinsale Road, Cork
Phone: 021 – 497-5281
FAX: 021 – 497-5287
E-Mail: info@sceb.ie
Website: www.sceb.ie

WEST CORK Michael Hanley, West Cork County Enterprise Board
8, Kent Street, Clonakilty, Co. Cork.
Phone: 023 - 34700
FAX: 023 - 34702
E-Mail: enterprise@wceb.ie
Website: www.wceb.ie

DONEGAL Michael Tunney, Donegal County Enterprise Board,
The Enterprise Fund Business Centre,
Ballyraine, Letterkenny, Co. Donegal.
Phone: 074 – 916-0735
FAX: 074 – 916-0783
E-Mail: info@donegalenterprise.ie
Website: www.donegalenterprise.ie

DUBLIN CITY Greg Swift, Dublin City Enterprise Board,
17, Eustace Street, Dublin 2.
Phone: 01 - 677-6068
FAX: 01 - 677-6093
E-Mail: info@dceb.ie
Website: www.dceb.ie

FINGAL Oisín Geoghegan, Fingal County Enterprise Board,
Upper Floor Office Suite, Mainscourt,
23, Upper Main Street, Swords, Co. Dublin.
Phone: 01 - 890-0800
FAX: 01 - 813-9991
E-Mail: oisin@fingalceb.ie
Website: www.fingalceb.ie

SOUTH DUBLIN Loman O'Byrne, South Dublin County Enterprise Board,
No. 3, Village Square, Old Bawn Road,
Tallaght, Dublin 24.
Phone: 01 - 405-7073
FAX: 01 - 451-7477
E-Mail: info@scenterprise.ie
Website: www.scenterprise.ie

DUN LAOGHAIRE /RATHDOWN Michael Johnson, Dun Laoghaire/Rathdown County Enterprise Board,
Nutmeg Enterprise Centre,
Nutmeg Way, Rathfarnham, Dublin 14.
Phone: 01- 494-8400
FAX: 01 – 494-8410
E-Mail: info@dlrceb.ie
Website: www.dlrceb.ie

GALWAY COUNTY/CITY	Charles P. Lynch, Galway County/City Enterprise Board, Wood Quay Court, Wood Quay, Galway. Phone: 091 - 565269 FAX: 091 - 565384 E-Mail: charles@galwayenterprise.ie Website: www.galwayenterprise.ie	LIMERICK CITY	Eamon Ryan, Limerick City Enterprise Board, The Granary, Michael Street, Limerick. Phone: 061 – 312-611 FAX: 061 – 311-889 E-Mail: info@limceb.ie Website: www.limceb.ie
KERRY	Martin Collins, Kerry County Enterprise Board, County Buildings, Ratass, Tralee, Co. Kerry. Phone: 066 – 718-3522 FAX: 066 - 712-6712 E-Mail: kerryceb@kerrycoco.ie Website: www.kerryceb.ie	LIMERICK COUNTY	Ned Toomey, Limerick County Enterprise Board, Lower Mallow Street, Limerick. Phone: 061 – 319-319 FAX: 061 – 319-318 E-Mail: info@lcoeb.ie Website: www.lcoeb.ie
KILDARE	Donal Dalton, Kildare County Enterprise Board, The Woods, Clane, Co. Kildare. Phone: 045 - 861707 FAX: 045 - 861712 E-Mail: info@kildareceb.ie Website: www.kildareceb.ie	LONGFORD	Michael Nevin, Longford County Enterprise Board, Longford Enterprise Centre, Templemichael, Ballinallee Road, Longford. Phone: 043 - 42757 FAX: 043 - 40968 E-Mail: info@longfordceb.ie Website: www.longfordceb.ie
KILKENNY	Sean McKeown, Kilkenny County Enterprise Board, 42, Parliament Street, Kilkenny. Phone: 056 - 775-2662 FAX: 056 - 775-1649 E-Mail: enquiries@kceb.ie Website: www.kceb.ie	LOUTH	Ronan Denny, Louth County Enterprise Board, Partnership Court, The Ramparts, Dundalk, Co. Louth. Phone: 042 - 932-7099 FAX: 042 - 932-7101 E-Mail: rdenny@lceb.ie Website: www.lceb.ie
LAOIS	Maria Callinan, Laois County Enterprise Board, IBS House, Dublin Road, Portlaoise, Co. Laois. Phone: 057 - 866-1800 FAX: 057 - 866-1797 E-Mail: admin@laoisenterprise.com Website: www.laoisenterprise.com	MAYO	Frank Fullard, Mayo County Enterprise Board, McHale Retail Park, McHale Rd. Castlebar, Co. Mayo. Phone: 094 - 902-2887 FAX: 094 - 902-4416 E-Mail: ffullard@mayococo.ie Website: www.mayoceb.com
LEITRIM	Joe Lowe, Leitrim County Enterprise Board, Carrick-on-Shannon Business Park, Dublin Road, Carrick-on-Shannon, Co. Leitrim. Phone: 071 - 962-0450 FAX: 071 - 962-1491 E-Mail: info@leitrimenterprise.ie Website: www.leitrimenterprise.ie	MEATH	Hugh Reilly, Meath County Enterprise Board, Navan Enterprise Centre, Trim Road, Navan, Co. Meath. Phone: 046 – 907-8400 FAX: 046 – 902-7356 E-Mail: mhceb@meath.com Website: www.meath.com

MONAGHAN	John McEntegart, Monaghan County Enterprise Board, M: TEK Building, Knockaconny, Monaghan. Phone: 047 - 71818 FAX: 047 - 84786 E-Mail: info@mceb.ie Website: www.mceb.ie	WATERFORD CITY	William Rafter, Waterford City Enterprise Board, Enterprise House, New Street Court, Waterford. Phone: 051 – 852-883 FAX: 051 – 877-494 E-Mail: info@waterfordceb.com Website: www.waterfordceb.com
OFFALY	Sean Ryan, Offaly County Enterprise Board, Cormac Street, Tullamore, Co. Offaly. Phone: 0506 - 52971 FAX: 0506 - 52973 E-Mail: info@offalyceb.ie Website: www.offalyceb.ie	WATERFORD COUNTY	Gerard Enright, Waterford County Enterprise Board, The Courthouse, Dungarvan, Co. Waterford. Phone: 058 - 44811 FAX: 058 - 44817 E-Mail: waterfordceb@cablesurf.com Website: www.enterpriseboard.ie
ROSCOMMON	Ann Flynn, Roscommon County Enterprise Board, Abbey Street, Roscommon. Phone: 090 - 662-6263 FAX: 090 - 662-5474 E-Mail: ceb@roscommon.ie Website: www.roscommon.ie	WESTMEATH	Christine Charlton, Westmeath County Enterprise Board, Enterprise Centre, Church Avenue, Mullingar, Co. Westmeath. Phone: 044 - 49222 FAX: 044 - 49009 E-Mail: ccharlton@westmeath-enterprise.ie Website: www.westmeath-enterprise.ie
SLIGO	John Reilly, Sligo County Enterprise Board, Sligo Development Centre, Cleveragh Road, Sligo. Phone: 071 - 914-4779 FAX: 071 - 914-6793 E-Mail: info@sligoenterprise.ie Website: www.sligoenterprise.ie	WEXFORD	Sean Mythen, Wexford County Enterprise Board, 16/17, Mallin Street, Cornmarket, Wexford. Phone: 053 - 22965 FAX: 053 - 24944 E-Mail: info@wexfordceb.ie Website: www.wexfordceb.ie
TIPPERARY North	Rita Guinan, Tipperary North County Enterprise Board, Connolly Street, Nenagh, Co. Tipperary. Phone: 067 - 33086 FAX: 067 - 33605 E-Mail: info@tnceb.ie Website: www.tnceb.ie	WICKLOW	Sheelagh Daly, Wicklow County Enterprise Board, 1, Main Street, Wicklow. Phone: 0404 - 67100 FAX: 0404 - 67601 E-Mail: enterprise@wicklowceb.ie Website: www.wicklowceb.ie
TIPPERARY South	Thomas Hayes, Tipperary South County Enterprise Board, 1, Gladstone Street, Clonmel, Co. Tipperary. Phone: 052 - 29466 FAX: 052 - 26512 E-Mail: toss.hayes@southtippcoco.ie Website: www.southtippcceb.ie		

Appendix 9

Addresses of Offices of the Department

Department of Enterprise, Trade and Employment, Kildare Street, Dublin 2.

Tel No: (01) 631 2121. Fax No: (01) 631 2827.

Lo-Call Telephone service for outside (01) area: 1890 220 222.

Website address: www.entemp.ie

E-mail address: webmaster@entemp.ie

Corporate Services & Economic Policy Division,
Competitiveness and International Affairs, Trade,
Environmental and EU Affairs Division, Enterprise &
Agencies Division, Science, Technology & Intellectual
Property Division (Intellectual Property Unit based in
Earlsfort), Labour Force Development Division, Commerce,
Consumers and Competition Division.

Department of Enterprise, Trade and Employment,

Earlsfort Centre, Lower Hatch Street, Dublin 2

Tel No: (01) 631 2121

Lo-Call Telephone service for outside (01) area: 1890 220 222

Website: www.entemp.ie

E-mail: webmaster@entemp.ie

Science, Technology & Intellectual Property Division (Office
of Science & Technology based in Kildare Street.)
Commerce, Consumers and Competition Division.

Department of Enterprise, Trade and Employment

Davitt House, Adelaide Road, Dublin 2.

Tel No: (01) 631 2121. Fax No: (01) 631 3267.

Lo-Call Telephone service for outside (01) area: 1890 220 222.

Website address: www.entemp.ie

E-mail address: webmaster@entemp.ie

Employment Rights Information: Tel:(01) 631 3131 Lo-call:
1890 201 615

e-mail: erinfo@entemp.ie

Work Permits:Tel:(01) 631 3333/631 3308 Lo-call:1890
201 616

e-mail: workpermits@entemp.ie

Employment Rights & Industrial Relations Division; Labour
Force Development Division; Corporate Services &
Economic Policy Division (Finance Unit)

Competition Authority,

Parnell House, 14 Parnell Square, Dublin 1.

Tel No: (01) 804 5400. Fax No: (01) 804 5401.

Lo-Call Telephone service for outside (01) area: 1890 220 224.

Website address: www.tca.ie

E-mail address: compauth@entemp.ie

Office of the Registrar Friendly Societies

Parnell House, 14 Parnell Square, Dublin 1

Tel No: (01) 804 5499. Fax (01) 8045498

Lo-Call Telephone service for outside (01) area: 1890 220 225

Companies Registration Office,

14 Parnell Square, Dublin 1

Tel No: (01)804 5200, Information Unit: (01) 804 5201,
Fax No: 01 804 5222

Lo-call Telephone service for outside (01) area: 1890 220 226

Website Address: www.cro.ie

Office of the Director of Corporate Enforcement

Address : 16 Parnell Square, Dublin 1.

Telephone: 01 8585800 LoCall service : 1890 315015

Fax : 01 8585801

Email : info@odce.ie

Website : www.odce.ie

PATENTS OFFICE

Government Buildings, Hebron Road, Kilkenny

Telephone 056-7720111 Lo-Call Tel:
1890-220223

Fax : 056-7720100 Lo-Call Fax:
1890-220120

E-mail: patlib@entemp.ie

Website: www.patentsoffice.ie

Dublin Patents Information Centre

Ground Floor, Earlsfort Centre, Lower Hatch Street, Dublin 2

Tel No: (01) 631 2603

Lo-Call Tel: 1890 220 222 ext. 2603

Lo-Call Fax: 1890 220 210

Fax: (01) 631 2551

E-mail: patdub@entemp.ie

Website: www.patentsoffice.ie

Office of the Director of Consumer Affairs,

4 Harcourt Road, Dublin 2.

Tel No: (01) 402 5500. Fax No: (01) 402 5501.

Helpline Tel No: (01) 402 5555.

Lo-Call Telephone service for outside (01) area: 1890 220 229.

Website address: www.odca.ie

E-mail: odca@entemp.ie

Office of the Director of Consumer Affairs, (Cork Office)

89-90 South Mall, Cork.

Tel No: (021) 427 4099. Fax No: (021) 427 4109.

Labour Relations Commission,

Tom Johnson House, Haddington Rd, Dublin 4.

Tel No: (01) 613 6700. Fax No: (01) 613 6701.

Lo-call No. (calling from outside (01) area): 1890 220 227.

E-mail labrc@iol.ie

Website: www.lrc.ie

Labour Court,

Tom Johnson House, Haddington Rd, Dublin 4.

Tel No: (01) 613 6666. Fax No: (01) 613 6667.

Lo-call No. (calling from outside (01) area): 1890 220 228

E-mail: info@labourcourt.ie

Website: www.labourcourt.ie

Employment Appeals Tribunal,

Davitt House, Adelaide Road, Dublin 2.

Tel No: (01) 631 2121.

Lo-Call Telephone service for outside (01) area: 1890 220 222.

Irish SOLVIT Centre

Internal Market Section,

Market Access Unit,

Earlsfort Centre,

Lower Hatch Street

Dublin 2

Department of Enterprise, Trade and Employment

Earlsfort Centre

Lower Hatch Street

Dublin 2

Tel.: (01) 631 2744/2740

Fax: (01) 631 2562

www.entemp.ie/trade/marketaccess/singlemarket/solvit.htm

Email address: Internalmarket@entemp.ie



roinn fiontar trádála agus fostaíochta
department of enterprise, trade and employment

Kildare Street,
Dublin 2
Telephone: +353 1 631 2121
Fax: +353 1 631 2827

We will work for Government and the people to equitably grow Ireland's competitiveness and quality employment.

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Ar fáil díreach ón Roinn Fiontar Trádála agus Fostaíochta, Sráid Chill Dara, Baile Átha Cliath 2.
(Teil: 01 631 2121, Lo Call: 1890 220 222)

Available directly from the Department of Enterprise, Trade and Employment, Kildare Street, Dublin 2.
(Tel: 01 631 2121, Lo Call: 1890 220 222)

