

Enterprise Strategy Unit,
Department of Enterprise, Trade and Employment,
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Submission to the public consultation on the preparation of the White Paper on Enterprise

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Introduction

There is no doubt that businesses in Ireland are operating in uncertain times. Despite Ireland steadily recovering from the Covid-19 pandemic, Irish businesses continue to face significant hurdles. The cascading and interlinked crises of conflict, Covid-19 and climate change, the '3 Cs', are interacting to create spin-off price increases on the '3 Fs', food, fuel and fertiliser, all of which are key inputs to businesses in Ireland. This has required businesses to either increase their prices, or absorb the costs, neither of which are particularly palatable. The ensuing inflation, which recently hit an almost 40-year high of 9.6%, has spawned a 'cost of living' crisis, which is affecting consumer confidence, eroding purchasing power parity and resulting in an increase in the working poor. The combination of this situation with supply chain bottlenecks and disruptions, and severe market instability, means that many businesses are well and truly at the pin of their collar.

Coalition 2030 is an alliance of approximately 70 civil society organisations across the domestic anti-poverty and equality, environmental, international and trade union sectoral pillars of Irish civil society¹. Its objective is to encourage and support Irish policy-makers to develop policy that aligns with our national commitment to bring the Sustainable Development Goals (SDGs) to fruition by 2030, while also raising public awareness of the transformational nature of the SDGs.

What follows are Coalition 2030's recommendations on what to consider when drafting the White Paper (WP) on Enterprise so that policy is designed in a holistic way that mitigates trade-offs between the SDGs. To that end, we suggest that 'enterprise policy support for the Sustainable Development Goals' is not a point separate to the others, but rather the SDGs should offer the framework or the umbrella lens which undergirds the strategy as whole².

1. Mitigate siloed policy design

In order to be genuinely inclusive and ensure nobody is left behind when it comes to national development and prosperity, social programmes and supports must be 'joined up' in order to ensure that everyone is facilitated to be part of the workforce if they so wish. This will require cross-departmental coordination to ensure that vulnerable or marginalised individuals are not falling through the gaps created by policies being designed in silos. Take the example of a young single mother who wished to return to education in order to access employment³. A course was offered to her during the summer months, but no corresponding affordable childcare. Her child of course was not in school, so she could not attend the course. Or the story of a person who had a medical card, and required assistance in order to heal and potentially

¹ See Annex 1 for list of members.

² Throughout this submission various of the SDGs are presented individually. This is useful for representing how and why certain SDGs can be progressed via the White Paper, but it is incumbent on us to point out that the nature of the SDG framework is that the SDGs are integrated, interdependent and indivisible and so they must all be progressed holistically. They should not be 'cherry-picked'.

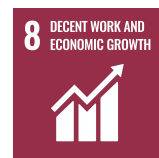
³ Examples from upcoming research by TASC, the Think Tank for Action on Social Change entitled 'Increasing Demand for Basic Necessities Provided by Community/Voluntary Sector in Ireland' (2022).

seek employment. However this person did not have access to affordable public transport and so could not afford to access the medical care. These are just two examples of evidence that show how a coherent, 'joined-up' approach to policy design is a requirement for developing national enterprise in a way that leaves no-one behind, i.e. ensuring 'Policy Coherence for Sustainable Development' (PCSD).

The WP should therefore not only focus on increasing and maintaining employment, but should demonstrate a targeted approach by asking, who is being employed, in what sectors, and in what areas of the country? According to the European Semester Country Report for Ireland (2022)⁴, "While employment is already above pre-pandemic levels, it remains important to help under-represented groups, e.g. women, people with low skills, single parents and people with disabilities, integrate into the labour market...less than a third of people with disabilities were employed in 2019, with a disability employment gap of 38.6 pps recorded for 2020, which is also one of the highest in the EU. Irish single parent households have the lowest employment rates (64%) in the EU (74.2%), as well as compared to other household types in Ireland. This is further reflected in their high poverty rates."

2. Embed at its core the principles of 'Just Transition'

Ireland's enterprise strategy must firmly embed at its core the principles of 'Just Transition'⁵. The transition to net zero by 2050 is the 21st century's industrial revolution, however the policy choices made over the coming years have the potential to leave behind vast numbers of people and communities if not executed in a sensitive, thoroughly considered manner. A 'Just Transition' approach to the enterprise WP would result in myriad benefits beyond those solely associated with business longevity and profit, indeed according to Ireland's Just Transition Alliance, it would



*"protect and create jobs, reduce emissions, enhance living standards and generate new opportunities that will help to build sustainable, resilient communities across the country...while also enhancing biodiversity"*⁶.

⁴ https://ec.europa.eu/info/files/2022-european-semester-country-report-ireland_en

⁵ The Just Transition Centre of the International Trade Union Confederation (ITUC) defines a Just Transition as one which: "...secures the future and livelihoods of workers and their communities in the transition to a zero-carbon economy. It is based on social dialogue between workers and their unions, employers, government and communities. A plan for Just Transition provides and guarantees better and decent jobs, social protection, more training opportunities and greater job security for all workers affected by global warming and climate change policies."

https://www.ictu.ie/sites/default/files/publications/2022/Just%20Transition%20Alliance%20Joint%20Declaration_1.pdf

⁶

https://www.ictu.ie/sites/default/files/publications/2022/Just%20Transition%20Alliance%20Joint%20Declaration_1.pdf

The Irish Government has committed to employing Just Transition principles⁷ in this green transition and so it follows that Ireland's enterprise WP should echo this commitment.

The next enterprise WP should also consider how businesses new and old can both benefit from and contribute to the transition. Removing the planning roadblocks that prevent energy consumers from selling the excess green energy generated on their property would be a logical first step and should be progressed as a matter of urgency⁸.

Finally, despite the headline goal of SDG 8 being 'Decent work and economic growth', we would suggest that the latter is subordinated to the former. The pursuit of economic growth has shown itself to be a false friend, as increasing evidence emerges of the deleterious effects of material throughput on biodiversity and climate change; and this relationship is not decoupling at the pace required to remain within planetary boundaries⁹. The most recent assessment by the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services' (IPBES)¹⁰ finds that when making policy decisions, there is too much global focus on short-term profits and economic growth that often undervalue nature. Instead we would suggest prioritising a wellbeing economy approach in the WP. This approach is being explored by the Government already with support from the National Economic and Social Council (NESC)¹¹. Approaches and indicators beyond growth that enable enterprise, trade and livelihood generation to flourish need to be explored in the WP in order to remain coherent with the well-being framework for Ireland and give us the best chance of remaining within planetary boundaries while ensuring decent work for all.

3. Ensure work is 'decent' and implement a living wage in line with the Minimum Essential Standards of Living (MESL)

Decent work includes appropriate and safe working conditions, regular and consistent hours, access to a wage that meets the cost of living and work where the rights of employees are respected and enacted¹². For 2022, a *living wage* is €12.90 per hour¹³, but currently the *minimum wage* for adults is €10.50. A full-time minimum wage



⁷ See Paris Agreement (2015), Silesia Agreement (2018). See also National Economic and Social Council (2020), 'The Transition to a Low-Carbon and More Digital Future: Supporting the Needs of Vulnerable Workers and Enterprises'.

⁸ <https://www.oireachtas.ie/en/debates/debate/seanad/2022-02-16/11/>

⁹ <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC7330600/>

¹⁰ IPBES (2019): Global assessment report on biodiversity and ecosystem services of the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services. E. S. Brondizio, J. Settele, S. Díaz, and H. T. Ngo (editors). IPBES secretariat, Bonn, Germany. 1148 pages. <https://doi.org/10.5281/zenodo.3831673>

¹¹ <https://www.gov.ie/en/campaigns/1fb9b-a-well-being-framework-for-ireland-join-the-conversation/>

¹² See the EAPN Ireland Submission to the National Minimum Wage Consultation

¹³ <https://www.budgeting.ie/living-wage/>

salary of a single adult household is estimated to meet only 72% of MESL expenditure needs¹⁴.

This has differential impacts on different populations. A 2017 ESRI report¹⁵ found that women were over twice as likely to be earning the minimum wage relative to males, the incidence of minimum wage pay among non-Irish nationals was over twice that of Irish employees, and the incidence of minimum wage was almost three times higher among part-time workers compared to their full-time equivalents. Meanwhile, young workers under 20 are subject to sub-minima rates of the national minimum wage, with the effective minimum wage for 16 and 17-year-olds as low as €7.35 per hour. In its report on the living wage, the Low Pay Commission¹⁶ recommended the preparation of a report examining sub-minima rates for young people. This does not demonstrate the commitment to 'leave no one behind' as laid out in Agenda 2030.

Trade unions, one of our pillars, are calling for a New Social Contract with SDG 8 at its centre, rooted in a gender-transformative agenda based on jobs – the creation of decent, climate-friendly jobs with just transition; rights for all; minimum living wages and equal pay; universal social protection for all; equality, freedom from discrimination; inclusion, and ensuring development systems that empower developing countries.

4. Develop, improve and support low carbon and public transport

The severe lack of public transport in rural Ireland represents a significant barrier to businesses seeking employees but whose prospective employees do not drive, or who are unable to afford the cost of running a vehicle. In order to address this, public transport in rural Ireland should be developed and improved, as should walking and cycling infrastructure. Additionally the bike-to-work scheme should be expanded to include people who are currently excluded from the scheme and electric scooters should be eligible for tax breaks. A scheme active in France¹⁷ should be considered, whereby employees can claim for full or partial rebates from employers for the costs incurred taking public transport to work. The benefits of this would be four-fold; employers would access labour, the financial burden on employees would be eased, public transport use would likely increase (aiding decarbonisation), and the transport companies would see increased usage of their service.



¹⁴ <https://www.budgeting.ie/publications/mesl-2022/>

¹⁵ <https://www.esri.ie/node/6478>

¹⁶ Low Pay Commission, Living Wage Report (2022)

<https://assets.gov.ie/226962/f72dbeb6-00ef-46cb-8af9-c347cb0851ff.pdf>

¹⁷ Full-time workers in the private sector have the right to ask their employer for 50 percent of public transport costs (second-class, shortest journey) to be reimbursed. The same goes for workers in the public sector. You are also entitled to have public transport costs reimbursed if you are a part-time worker or intern in France – although the amount depends on how many hours you work per week
<https://www.thelocal.fr/20220126/french-pm-lays-out-plan-to-help-drivers-save-money/>

5. Increase the availability of affordable childcare

The lack of childcare, let alone affordable childcare, can prevent those with childcare responsibilities, who are mainly women, from entering the workforce if and when they choose to do so. With the average cost of childcare at €800 per month, take home pay at €1622 per month on a full-time, minimum wage position, and the average rent at €1,567 per month, it is evident how challenging it would be for a single parent to enter the workforce while maintaining an adequate standard of living and providing for dependents. Add to this a dearth of public transport and increased fuel prices, and a multifaceted problem begins to emerge which demands a multifaceted approach. Enterprise policy should be designed not in a vacuum, but in tandem with policies of public transport, childcare, and housing.



6. Support small businesses, especially in rural Ireland

According to the Irish Fiscal Advisory Council's most recent Fiscal Assessment Report¹⁸, Ireland's tax revenue is dangerously exposed. This is largely because over the last seven years, we have come to rely on just ten paying companies for more than half of our corporate tax receipts. In the first half of 2022, almost a quarter of all tax revenues were from these ten companies. This concentration in revenue represents a severe risk to our national capacity to maintain and indeed increase public spending, and provides a strong rationale for a diversification in the corporate tax base as well as a national strategy that does not rely on attracting large multinationals, whose revenue could be subject to 'reversal'.



7. Support the development of skills and talent for decarbonisation, and ensure accessibility for all

Investment in education for all is of vital importance. Education is key to the success of all of our SDGs. This was clearly articulated at the HLPF in New York this year. "Learning how to learn" and investment in educators and education were front and centre of many contributions. This needs to be front and centre of all of our agenda.



Accelerating decarbonisation will require a technically capable workforce. The WP should outline how vocational, technical and further education, particularly in areas relevant to decarbonisation will be given parity of esteem when compared with university education. The former is all too often subordinated to the latter, as evidenced in

¹⁸ <https://www.fiscalcouncil.ie/fiscal-assessment-report-may-2022/>

Ireland's draft plan for the SDGs¹⁹. We suggest a national plan for providing decent, secure work in an area relevant to decarbonisation for anyone who wants to work in that area. This needs to be inclusive to all²⁰, in other words there need to be clear opportunities for those with disabilities, for people unable to read or write, for older people, for migrants and asylum seekers. What's more, women and other marginalised genders should be actively included in vocational education plans.

Additionally, in order to engender a motivation to be part of national decarbonisation efforts, and to recognise Ireland's role and historical responsibility in the climate crisis, global citizenship education (GCE) and education for sustainable development (ESD) should be further supported. This type of education is deeply tied to enterprise as it heavily influences what people choose to do for work.

8. Ensure businesses in Ireland are operating in line with principles of Human Rights

Due to the nature of economic globalisation, Ireland's national enterprise does not operate in a vacuum. It is stated that our national strategy on enterprise should be inclusive, but we ask, inclusive of whom? In order to progress the SDGs "at home and abroad", our national enterprise policy must not negatively impact communities and ecologies abroad, we must not offshore injustice²¹. For example, the ESB has been importing coal from the Cerrejón mine in Colombia for over two decades despite the human rights abuses documented in the region, particularly in La Guajira²². Severe human rights abuses, community degradation and environmental harm have accompanied the extraction of coal from this mine for use in Moneypoint in Co.Clare. All OECD member countries must implement the MNE Guidelines²³, and so this requirement should be clear in the WP. The Guidelines set certain minimum standards for multinational enterprises, including respecting internationally recognised human rights, avoiding adverse environmental impacts, and disclosing certain information about business conduct.



¹⁹ See Coalition 2030's response here, point 8:

<https://www.ireland2030.org/s/Coalition-2030-Submission-to-Consultation-on-the-draft-National-Implementation-Plan-2022-2024-Final.pdf>

²⁰ See SDG 4, Target 4.5: By 2030, eliminate gender disparities in education and ensure equal access to all levels of education and vocational training for the vulnerable, including persons with disabilities, indigenous peoples and children in vulnerable situations

²¹ The United Nations Guiding Principles on Business and Human Rights (UNGPs) provide the internationally-accepted framework for enhancing standards and practices with regard to business and human rights.

²²

<https://www.rte.ie/news/business/2022/0601/1302482-esb-criticised-for-importing-coal-from-mine-in-colombia/>

²³ <http://mneguidelines.oecd.org/mneguidelines/>

What's more, CMC-Coal Marketing Company Limited is the Dublin-based sales arm of coal from the Cerrejón mine²⁴. The Irish Coalition for Business and Human Rights advocates for new corporate accountability legislation in Ireland which would mandate companies like the ESB and CMC to scrutinise the supply chains of their products, and so this should be a key element in the enterprise WP. Earlier this year, the European Commission adopted a proposal for a Directive on corporate sustainability due diligence²⁵ which aims to foster sustainable and responsible corporate behaviour throughout global value chains, and these rules will apply to many Irish businesses. This turn of affairs needs to be taken into account in the WP, and it should also be clear how Irish enterprises will be supported and encouraged to engage with stakeholders that may be affected by new legislation.

9. Mandate Local Authorities (LAs) to support businesses achieving the SDGs

Local government is a central link to all achievable aims as they are naturally and nationally equipped to reach out to local communities. This invaluable resource must be engaged with and supported to assist in implementing all strategic aims regarding enterprise. Local government is particularly important for successful implementation of the SDGs²⁶ via its interaction with enterprise due to the existence of Corporate Plans. The WP should ensure that the Corporate Plans of all city and county development plans are fully aligned with the SDGs. Further, businesses supported by LAs should be required to ensure that their activities do not hinder the SDGs at home or abroad. For example they should be mandated to scrutinise and report on their supply chains, as in point 8.



10. Make sure our FDI policy does not jeopardise our climate targets, in particular when it comes to data centres

Data centres require vast amounts of electricity to function. Grid operator Eirgrid estimates that data centres may account for up to 27% of Ireland's electricity demand by 2028²⁷. For example, if Amazon's project in Mulhuddart, Dublin 15 is realised, by 2026 it would use c. 4.4% of Ireland's entire energy capacity²⁸ – the equivalent of Galway City. If data centre expansion continues at its



²⁴ <https://www.glanlaw.org/cerrejon-coal>

²⁵ https://ec.europa.eu/commission/presscorner/detail/en/ip_22_1145

²⁶ <https://sustainabledevelopment.un.org/index.php?page=view&type=30022&nr=754&menu=3170>

²⁷

<https://www.eirgridgroup.com/site-files/library/EirGrid/All-Island-Generation-Capacity-Statement-2020-2029.pdf>

²⁸

<https://www.irishtimes.com/business/technology/net-results-data-centres-need-to-power-down-their-energy-requirements-1.3561745>

current pace, we will still need additional fossil fuel generation, particularly gas generation, to power data centres, jeopardising our national climate targets. What's more, only 9% of 1211 respondents in June 2022 stated that Ireland should prioritise LNG terminals as an alternative to Russian gas, whereas 83% preferred a green alternative²⁹.

We therefore strongly recommend that the WP scrutinises the national emphasis on data centres and demonstrates a plan for them that is coherent with climate targets and the SDGs more broadly, for example by ensuring that nobody already struggling is disproportionately impacted by the existence of data centres. For example the Commission for Regulation of Utilities (CRU) in Ireland noted a risk of rolling electricity blackouts³⁰ due to the substantial energy consumption of data centres – a risk that is disproportionately borne by the most vulnerable groups in society³¹. FDI that is not attentive to the disproportionate risks on certain cohorts does not demonstrate a sensitivity to the interdependencies of the SDGs.

Conclusion

The SDGs offer the only universally agreed blueprint for poverty-proofed policy design. What's more, they provide an opportunity at this juncture of multiple crises to become the common policy language and umbrella lens used to address the climate crisis, biodiversity loss, the just transition, rising inequality, cost of living, and international solidarity, to name but a few areas. By using the SDGs to undergird the strategy, the White Paper on enterprise could be a practical and pioneering example of Policy Coherence for Sustainable Development in action.

²⁹ https://www.foe.ie/assets/files/pdf/foe_poll_june_2022_headline_results.pdf

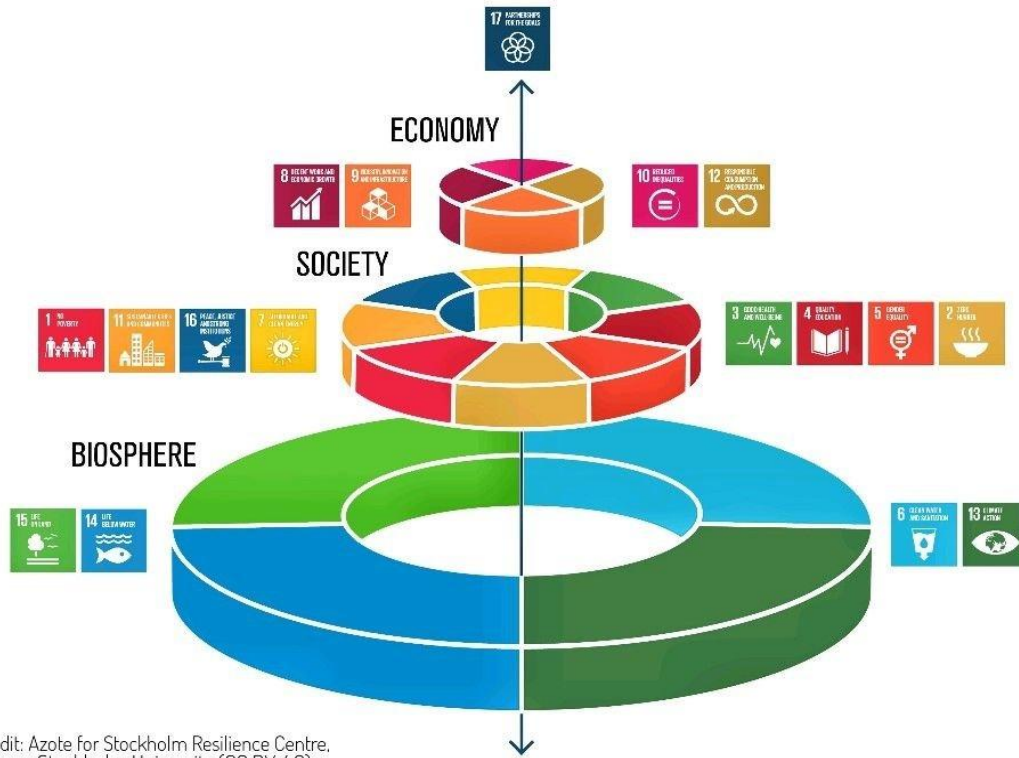
³⁰

<https://www.cru.ie/wp-content/uploads/2021/06/CRU21060-CRU-consultation-on-Data-Centre-measures.pdf>

³¹ Saint Vincent de Paul, 'The Cost of Surviving' (2022)

https://issuu.com/svp15/docs/red_c_2022_report_final

The SDGs wedding cake



Credit: Azote for Stockholm Resilience Centre, Stockholm University (CC BY 4.0)

Annex 1: Coalition 2030 Member Organisations (sorted by pillar)

Domestic Anti-Poverty and Equality

80:20 Educating and Acting for a Better World
Akidwa
Alcohol Forum
AONTAS the National Adult Learning Organisation
All Together in Dignity
Baby Feeding Law Group of Ireland
Christian Aid
Community Work Ireland
Development Perspectives
Disability Federation Ireland
European Anti Poverty Network Ireland
Global Citizenship School
IFPA Irish Family Planning Association
Irish Rural Link

Jesuit Centre for Faith and Justice
National Adult Literacy Agency (NALA)
National Women's Council of Ireland
National Youth Council of Ireland
Pavee Point
Social Justice Ireland
The Ladder
The Wheel
VPSJ Vincentian Partnership for Social Justice
Children's Rights Alliance

Environment

Airfield
An Taisce
Carrig Conservation
Cork Environmental Forum
Cultivate
ECO UNESCO
Environmental Pillar
Foodcloud
Friends of the Earth

Global Action Plan
Good Energies Alliance Ireland
Green Foundation Ireland
Irish Wildlife Trust
Rediscovery Centre
Roscommon Environmental Network
Voice
Zero Waste Alliance Ireland

International

Action Aid
Aidlink
CBM Christian Blind Mission
Child Fund Ireland
Comhlámh
Concern

International Presentation Association
Irish Forum for Global Education
Irish Global Health Network
Misean Cara
Self Help Africa

Dóchas
Fairtrade Ireland
Global Schoolroom
IDEA Irish Development Education Association

Sightsavers Ireland
Trócaire
UNICEF
World Vision Ireland

Trade Union

ASTI
Fórsa
ICTU Irish Congress of Trade Unions
SIPTU Services Industrial Professional and Technical Union