

Press Release

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Minister Sherlock tasked with leading Government action on Social Enterprise sector which has potential to create over 25,000 additional jobs by 2020

Forfás publishes report on Social Enterprise under Action Plan for Jobs

The Minister of State for Research and Innovation, Seán Sherlock TD, has been tasked by the Taoiseach with leading efforts across Government to develop the social enterprise sector following the publication of a Forfás report showing that the sector has the capacity to double employment with the creation of an additional 25,000 jobs by 2020.

Driving the development of a vibrant social enterprise sector is a key commitment in the Programme for Government and under the Government's Action Plan for Jobs.

Social enterprises are business models set up to tackle social, economic or environmental issues. Some social enterprises engage in trading or commercial activities to pursue their objectives and any surplus earned is re-invested in the social objective.

The sector employs more than 25,000 people in over 1,400 social enterprises in Ireland, with a combined total income of around €1.4 billion. A new Forfás report has found that there is potential to double employment in the sector over the period to 2020.

The Forfás report, which the Government noted this week, contains a series of recommendations to support the development of the Social Enterprise sector and is a significant deliverable under the Action Plan for Jobs. It also supports the Programme for Government commitment to promote the development of a vibrant and effective social enterprise sector.

A number of Government Departments currently engage with the Social Enterprise sector and provide supports through a range of programmes and schemes. A key finding of the Forfás report is that a coherent national policy across Government is necessary if the sector is to achieve its potential. In this context, the Taoiseach has tasked Minister of State, Seán Sherlock, with developing the sector on a cross-Departmental basis, with support to be provided by the Department of the Environment, Community and Local Government.

Welcoming the Forfás report, "Social Enterprise in Ireland - Sectoral Opportunities and Policy Issues", Minister Sherlock said "The social enterprise sector has played a key role in Irish society and in the economy for many years. Social enterprises offer jobs across a range of skill-sets, and provide services and employment in many local and rural communities. That is why as part of the Action Plan for Jobs we have committed to supporting the development of a vibrant social enterprise sector. It has huge potential for employment growth and I am particularly pleased to have been asked by the Taoiseach to develop the sector further.

"Social enterprises cover a broad spectrum of activity from community-based projects funded by the State, to a smaller number of businesses trading on a commercial basis. It is important that we build a framework through which social enterprises across the spectrum can obtain supports from Government Departments and agencies which are appropriate to their level of development, the nature of their activities, and their commercial ambition.

For example, social enterprises that are developing self-sustaining business models will be well suited to benefit from the supports to be provided by the new Local Enterprise Offices.

"I will be arranging for the establishment of an Inter-Departmental Group as soon as possible to develop the sector and to determine how the recommendations in the Forfás report can best be delivered. I invite those in the Social Enterprise sector to play their part in working with Government Departments and agencies to maximise the potential of the sector".

CEO Forfás, Martin D. Shanahan said: “Social enterprise is a small but growing part of the enterprise base. It undoubtedly has the potential to bring further jobs and economic potential. It is timely to bring focus on social enterprise in Ireland, with full recognition of the societal, enterprise and employment dimensions of the sector. The sector has the potential to develop enterprises that are self-sustainable and self-reliant, with innovative business models that can exploit emerging opportunities. There is a demonstrated need and market for social enterprises with potential in the areas of community retail and care services; tourism and heritage products; leisure and sports services; and energy production. Many of the measures needed to support the development of social enterprises can be addressed through adjustments to existing policies and may not require additional funding. These include adjustments in areas of access to finance, procurement, capability building and ensuring supportive legislative frameworks.”