

Untapped pool of budding talent

The Small Firms Association is calling for government funding to provide training supports to entrepreneurs from ethnic minorities

What is required is a commitment by government, in line with the recommendation in the Small Business Forum Report, to commit to providing mainstream funding from the beginning of 2008, to roll out training modules and best practice to potential ethnic minority entrepreneurs in all parts of the country," said Patricia Callan, director of the Small Firms Association (SFA).

She was speaking at the launch of *Harnessing the Potential: Promoting Ethnic Minority Entrepreneurship in Ireland*. The report was produced by Emerge, a pilot programme of which Callan is chairperson.

"Non-nationals now make up over 10 per cent of our population and our workforce at 420,000 and 230,000 people respectively, and they clearly represent an untapped pool of entrepreneurial talent in Ireland," she said.

"Most of these are in the 24-44 years age bracket, which is the age at which most people set up in business. With only 28 per cent of Irish nationals now falling within this age bracket, non-nationals will clearly become increasingly important in contributing to our pool of potential entrepreneurs.

"In moving from their native countries to Ireland, such people have already demonstrated their entrepreneurial qualities," she said.

"These include a readiness to step out of a familiar environment and into a new culture

and system, a preparedness to face risk and uncertainty, and a strong motivation to generate income and secure a good quality of life. Indeed, we know from our own history how entrepreneurial Irish people were when they moved abroad."

Over the past three years, the Emerge pilot programme has been funded by the EU Equal Community Initiative through the Department of Enterprise, Trade and Employment, and has proven to be extremely successful in promoting ethnic minority entrepreneurship in Ireland.

The programme has assisted 207 participants who have attended training at pre-enterprise, start-up and growth levels.

Training was delivered in Blanchardstown, Cork, Galway and Tallaght, with a master-class for growth delivered in Athlone.

Already, 68 (33 per cent) of the participants have set up new businesses, including specialist food stores, a cleaning company, childcare facility, auto part exports, bridal design store and a magazine publishing house. There are many more still developing their business plans.

"The need for Emerge is clear," said Callan. "There is currently no specifically designed mainstream programme that targets the particular problems encountered by ethnic minority entrepreneurs, that is, that takes into account the problems presented by cultural differences, racism, language problems and social exclusion."

Callan also called on the government to review the regulations governing non-na-

tionals in setting up a business in Ireland, as currently "business permission" is required, which is highly restrictive.

At present, any non-EEA National wishing to establish a business in Ireland must seek the permission of the Minister for Justice, Equality & Law Reform to do so.

Any individual pursuing this option must, among other requirements, transfer capital of €300,000 to the state and commit to employing at least two EEA nationals.

"We would contest that such requirements present an excessively onerous barrier that prevent many migrants from engaging in entrepreneurial activity in Ireland," she said. "The capital requirement, for example, is massively in excess of the typical level of investment in a small-business start-up in this country.

"Similarly, the requirement to employ two EEA nationals is excessive, when one considers that many indigenous start-ups will operate as single-person businesses for many years before taking on employees. These restrictions are denying Ireland a great source of entrepreneurial talent.

"We believe the key factor in deciding whether to award business permission should be the quality and likely viability of the applicant's proposed venture and that appropriate mechanisms should be put in place to assess such plans.

"The Ireland of today is a radically different place to that of 20 years ago. Economic success has brought different challenges. The development of new ethnic minority communities as part of Irish society is a relatively new phenomenon.

"However, it is a reality and as a society, Ireland now must adapt to this reality. These ethnic communities have come here to make a better life and many wish to be self-employed and self-sufficient. It behoves all involved in enterprise development and promotion in Ireland to encourage and assist them in achieving this goal."

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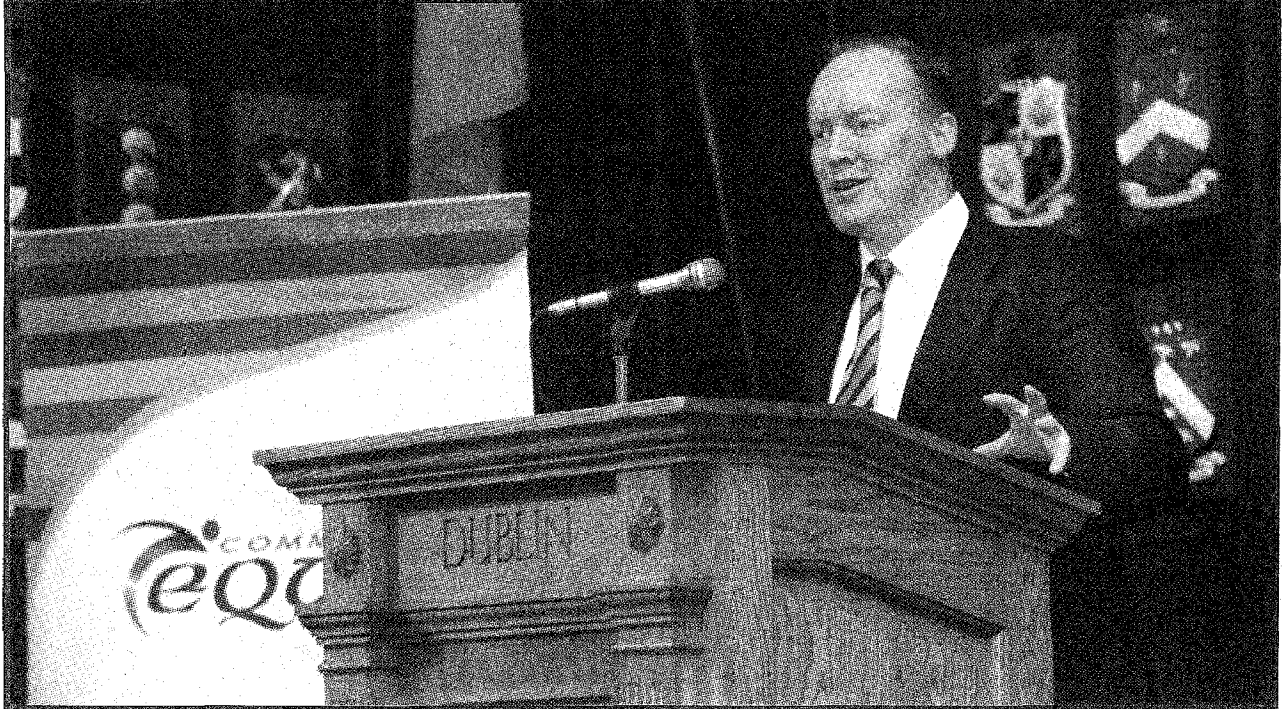
Page: 33

Extract: 2 of 2

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Conor Lenihan, Minister for Integration, launching the Emerge findings