

Oireachtas Committee on Jobs, Enterprise and Innovation

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Firstly, I would like to thank the Members of the Committee for inviting me to give evidence today on this hugely important issue.

For those who do not know us, the British Irish Chamber of Commerce is the only organisation representing business activities with interests across our two islands. Our raison d'être is to champion, protect and grow the trade between the UK and Ireland - trade that is worth in excess of €60 billion a year and that sustains over 400,000 jobs, evenly spread across Britain and Ireland.

The UK is Ireland's largest two-way trading partner, supplying 34% of our imports and taking 16% of our exports. The British Irish Chamber of Commerce works on behalf of its members, large and small, North, South, East and West, connecting them to fresh business opportunities between and from these two islands, growing trade, investment and jobs. We want to ensure that this work continues beyond the current political crisis that now faces us.

As the only organisation representing business interests in both Ireland and the UK, we are uniquely placed to see both the opportunities and challenges that Brexit provides, and there are both.

Currently we are seeing one of the challenges take shape in the form of the collapse in the value of Sterling. While fluctuations in currency are nothing new, the speed with which Sterling has declined has caused a significant challenge for our exporters, particularly those in the agri-food sector who already operate in very tight margins.

The reality is that Governments can't magic-away the serious impact of Sterling's weakening on Irish exporters. It's also not realistic to expect that businesses can simply open up new markets that are slow, expensive and just plain awkward to trade with, compared to the ease of doing business with our nearest and most similar neighbours.

This is why I believe that the best response to this challenge is to help our trading businesses to do even more together to offset unit value changes. And most of them have scope to do just that if we can use our support resources to connect them to more partners, as my colleagues in the British Irish Chamber of Commerce are actively doing.

At the same time, the Chamber is also working to help Irish businesses to secure a base within their nearest neighbour to protect themselves from any future barriers to trading with the UK. With 53% of the UK's imports already coming from EU member states, there is substantial opportunity for Irish suppliers to replace some of that trade on a tariff-free basis by establishing directly within the UK, sooner rather than later.

We shouldn't waste a good crisis and there are certainly opportunities from the UK's decision to leave the EU that Ireland should be availing of. In the short term, we are assisting UK firms to manage their need to secure an In-EU base for the future by establishing relationships and/or a base for their business activities within Ireland, as

the best alternative base among the various bids for their business by competing EU countries. We are also assisting other foreign direct investors to prefer Ireland over alternative locations. We are also working to assist Irish universities to benefit by partnering with British and Northern Irish universities to win valuable EU-funded Research Contracts for the future.

But, we need to have a well-founded National Strategic Plan if we are to take best advantage of these opportunities. Brexit clearly hands Ireland a role to be key base for both global FDI and UK-based firms and agencies. The Government's decision to campaign for the relocation of the European Medicines Agency and the European Banking Authority is welcomed by the Chamber and is something that we have been active in supporting. We are also working with national and local government to ensure fastest delivery of key resources such as housing, offices, international schools and Regulator capacity.

There are very real opportunities for Ireland in such as the Education and Research sector. By leaving the EU, the UK will cut itself off from a £1billion a year in EU funding of its universities and research institutions. If we adopt a genuinely strategic planning approach together, Ireland can position itself as a potential base within the EU for those researchers who are facing loss of their lead role on key research programmes or indeed outright exclusion from pan-European research consortia. But, in order to achieve this we must ensure we reverse the current trend that sees our Universities slipping down the global rankings through implementation of the Cassells Report without delay. This really isn't the time to play party politics with a vital national resource and so I urge all sides to grab this opportunity so we can emerge strengthened by opportunity rather than diminished by loss.

In closing, to get the best from Brexit, Ireland must look to our visionaries of the past, such as TK Whitaker for inspiration. Just fifty years ago, Ireland faced huge decisions from a much weaker base. Not long independent, impoverished by a trade war with our neighbour and exporting our young alongside our animals, we had missed out on the industrial revolution and we had no natural resources other than our food, our brains and our workrate. But the choices made by our predecessors then shaped what we are now - a vibrant, resilient people, an economy, and a community that has paid its dues and which now features the best growth rate in the EU.

We should think carefully now about what we would want our successors to say in 50 years time about the choices we get to make now. Brexit is a catalyst for a national strategic plan to guide our success and collective wellbeing for some generations to come. We should work together now and look forward with ambition and optimism and with faith in our collective abilities. We should not only address the challenges and opportunities of the immediate aftermath of the UK people's decision to leave the EU, but we should also ask why and what has changed to make a strong nation so decide. Armed with that understanding, we can and must work together in our common interest knowing that we may be the first generation to be able to deliver comprehensive local and even universal wellbeing or the last to be given the chance.