

## **Opening Statement**

**To**

**Joint Oireachtas Committee on Business, Enterprise and Innovation**

**By**

**Convenience Stores and Newsagents Association (CSNA)**

**November 2017**

We welcome the opportunity to provide to the Committee our observations regarding the Cost of doing business in Ireland. Whilst there are numerous areas that concern our members on this topic, we have elected to raise only those matters that we consider could be alleviated by actions of the State, be that legislative or administrative interventions. We thank the Committee for including CSNA in this process and hope we can assist you in your work.

The 1,200 members that CSNA represents own 1,500 stores throughout the Republic, employing an estimate 35,000 employees. As the Committee has specifically requested that we prioritise the cost of doing business as they affect our members and in relation to their concerns, we believe that the following are, in order of priority the areas of greatest concern.

Labour Costs

Energy Costs

Insurance Costs

Banking Costs

Commercial Rates

Compliance Costs

Security Costs

Carriage Charges

The Association has already provided to the Committee a detailed rationale on our observations on these costs in our submission in August, a copy of which we have once again supplied to you. In this submission, we itemised a number of Action points that the Association would like the Committee to consider making recommendations upon their Final report. To summarise these recommendations:

1. The Association would like this Committee review the Reports of the Low Pay Commission and, where justified, suggests alterations to their composition and effectiveness in representing employers and workers.
2. CSNA believes that workers and employers need to have a comprehensive review of the “gap” or “step” that occurs when changes are made to gross pay vis a vis the move from the 8.5% to 10.75% PRSI rates.

3. The Association urges the Committee to investigate the workings of the PSO Levy, specifically the two-tier approach for calculating the Levy by requesting an engagement with both the CER and the Department of Energy and Natural Resources.
4. Our members are being affected by rising Insurance costs; CSNA requests that the Committee liaises with the Department of Finance insurance group specifically on the need to replace the existing Book of Quantum with a more realistic framework for compensation.
5. CSNA believes that the Committee should request to meet the Credit Review office specifically to consider how viable businesses can be protected from their loans being sold to vulture funds.
6. CSNA is most concerned that our members are paying what would appear to be very high transaction charges for cash lodgements and ask the Committee to meet with the Financial Ombudsman and the Central Bank to ascertain how these charges are advised, reviewed and approved.
7. Plastic card payments, particularly contactless debit cards are growing in popularity for the public. We ask the Committee to seek from the Central Bank what systems are in place to ensure that merchants and the public are charged in a fair and transparent fashion for the usage of these cards.
8. CSNA requests that the Committee requests an engagement with the Department of Housing, Planning and Local Government to report on the efficiency of the Waste Packaging Act and specifically the activities of the sole approved body, Repak.
9. The Committee, we would suggest, should seek the views of the Controller of Patents and the Department of Enterprise with regard to the activities of IMRO and PPI specifically in respect of the binding judgement of the European Court of Justice ruling on the playing of a radio in a commercial premises.
10. We ask that the Committee considers the merit and appropriateness of recommending changes to the Competition Act to provide for a system that would allow representative bodies for employers a negotiating licence to redress an imbalance that allows large companies to impose unfair terms and conditions on their customers.
11. CSNA asks the Committee to request from the Data Protection Commissioner guidance on how businesses can legally communicate with each other in sharing images and also how a requirement to 'pixelate' images could be dispensed with.
12. Our Association requests that this Committee considers making recommendations that would enshrine the right of commercial rate payers to be consulted by Local Authorities in advance of considerations to change a commercial rate.
13. We would ask the Committee to consider making a recommendation to both the Valuation Office and the Department that any business improving their shop front not be penalised by increasing their valuation, and possibly should be incentivised for doing so.

14. We believe that the Committee should enquire from both the Valuation Office and the various Local Authorities that have changed their system of valuation what precisely were the changes in ratings for retail, hospitality, office and commercial parks in these areas to arrive at a 'revenue neutral' position. It is our belief that retail in particular has incurred very significant increases in rating whilst other sectors have had significant "savings" applied.

We would be happy to answer any questions that you might have regarding this submission.