

DÁIL ÉIREANN

AN COMHCHOISTE UM FHIONTAR, TRÁDÁIL AGUS FOSTAÍOCHT

JOINT COMMITTEE ON ENTERPRISE, TRADE AND EMPLOYMENT

Dé Céadaoin, 21 Deireadh Fómhair 2020

Wednesday, 21 October 2020

Tháinig an Comhchoiste le chéile ag 9 a.m.

The Joint Committee met at 9 a.m.

Comhaltaí a bhí i láthair / Members present:

Teachtaí Dála / Deputies	Seanadóirí / Senators
Richard Bruton,	Róisín Garvey.
Francis Noel Duffy,	
Louise O'Reilly,	
Matt Shanahan,	
David Stanton.	

I láthair / In attendance: Senator Lynn Boylan.

Teachta / Deputy Maurice Quinlivan sa Chathaoir / in the Chair.

Scrutiny of EU Legislative Proposals

Chairman: Apologies have been received from Senator Sherlock.

The committee has already discussed several EU proposals and is now required to make formal decisions on them. Two proposals were circulated on Schedule A. It was agreed there are no subsidiary concerns about COM (2020) 183 and it does not warrant further scrutiny. It was also agreed that there are no subsidiarity concerns about COM (2020) 355 and it does not warrant further scrutiny. Is that agreed? Agreed.

The following proposals have been circulated under Schedule B: COM (2020) 92, COM (2020) 116, COM (2020) 136, COM (2020) 156, COM (2020) 157, COM (2020) 185, COM (2020) 192, COM (2020) 193. It was agreed that these proposals do not warrant further scrutiny. Is that agreed? Agreed.

Budget 2021 Support Measures for Enterprise: Department of Enterprise, Trade and Employment

Chairman: I welcome from the Department of Enterprise, Trade and Employment, Ms Pauline Mulligan, assistant secretary, and Mr. Declan Hughes, assistant secretary. Joining us remotely is Mr. Cathal O’Gorman, finance officer. The Department’s opening statement has been circulated to members.

I invite Ms Mulligan to make her opening statement.

Ms Pauline Mulligan: I am pleased to be before the committee to assist in its consideration of the measures to support enterprise contained in budget 2021. I am accompanied by Mr. Declan Hughes, head of our indigenous enterprise, SMEs and entrepreneurship division. Due to Covid restrictions Mr. Cathal O’Gorman, our finance officer, is joining the meeting by video conference.

First, I will set out our overall funding and our capital and current ceilings in expenditure report 2021. Our gross allocation for 2021 is €1.127 billion, made up of €359.5 million in current and €768 million in capital. This is an increase of €155 million, almost 16%, on our budget 2020 allocation of €972.5 million. Current for 2021 will increase by €19 million and capital by €136 million.

This increase in our capital and current allocations builds on the significant additional funding the Department received this year to roll out much needed enterprise supports to help them respond to Covid and Brexit. The Revised Estimate approved by the Dáil in June provided the Department with an additional €483 million in capital, and a further €450 million for the Department was agreed as part of the Government’s July jobs stimulus. This more than doubling of our original 2020 allocation allowed us to provide immediate targeted supports to enterprises impacted by Covid through measures such as the restart grant.

As regards budget 2021 increases, and specifically the additional €136 million in capital moneys allocated to the Department, it is intended that €35 million of this will be for IDA Ireland. This will enable it to provide a further €10 million to support its property programme which has delivered seven advance building solutions - technological or office buildings - pro-

viding attractive turnkey building solutions in regional locations. Some €30 million will fund the expansion of the innovative Covid life products scheme with €25 million through IDA Ireland and €5 million through Enterprise Ireland. This joint initiative will aid research, development and production of medicinal products to fight against Covid. The scheme will deliver significant economic benefits in jobs and returns to the Exchequer as well as societal benefits.

Enterprise Ireland's capital funding will increase by €50 million. Of this, €10 million will be for the sustaining enterprise fund providing supports for business continuity through direct grants, equity and repayable advances. Some €15 million will be for the ready for customs scheme which assists SMEs with staff, software and IT systems to be ready for new customs arrangements from 1 January 2021. Some €15 million will be for further calls under the regional enterprise development fund investing in projects to support existing jobs and create new ones to strengthen the regional economy, while €5 million will be for the online retail scheme to enable Irish-owned retailers to enhance their digital capability.

The local enterprise offices will get an additional €6 million to support the ever-increasing demand for their services which has seen further significant growth in light of Covid and Brexit. InterTradeIreland's funding will increase by €675,000 to increase the practical supports it provides to businesses trading cross-Border which will be even more important from 1 January 2021.

The remainder of our increased capital allocation will be for access to finance measures. Of this, €25 million will fund liabilities under the Covid credit guarantee scheme, the largest such financial instrument in the history of the State. Some €14.325 million will strengthen the lending capacity under the future growth loan scheme providing loans of up to ten years to eligible businesses to support strategic long-term investment. Some €5 million will further capitalise Microfinance Ireland to continue its tailored Covid loans to microenterprises.

The €19 million increase in the Department's current ceiling includes €3 million for the public service stability pay agreement in 2021. The other €16 million will mainly be directed at increasing the resources of the Department's regulatory bodies as they respond to Brexit and Covid.

Some €8 million will be allocated to the Health and Safety Authority, the Competition and Consumer Protection Commission and the National Standards Authority of Ireland. Additional current funding will also be provided to our enterprise agencies to continue expanding their global footprint and increase their promotion and awareness activities in 2021.

The Department also continues to be proactive in reaching out to assist businesses in navigating their way through the Covid pandemic. The additional funding secured for the Department in the July stimulus and which has been retained through budget 2021 enabled us to beef up our dedicated business support call centre where businesses can get details of the full range of enterprise supports available to them. Since its establishment on 16 March, the centre has answered almost 10,000 calls and emails on supports available for businesses from our Department and other Departments. Almost three quarters of the calls have related to business supports and the other quarter to restrictions.

The Department has also adjusted a number of its administrative procedures in light of Covid, for example, it put in place contingency plans to ensure that the employment permits system can continue to operate in all scenarios for the duration of the Covid-19 crisis.

The budget also provided for the establishment of a €3.4 billion recovery fund for additional Government decisions in 2021 to stimulate increased domestic demand and employment. While the funding under the recovery fund has yet to be formally allocated, at least €100 million will be provided by way of targeted enterprise supports. The Tánaiste and Minister for Enterprise, Trade and Employment in his budget announcement set out the particular initiatives that will benefit from this funding, including: the transformation of the food processing industry post Brexit; meeting increased demands on services of the local enterprise offices; development of the advanced manufacturing centre; Enterprise Ireland's online retail scheme and sustaining enterprise fund; calls under the regional enterprise development fund; support for early-stage innovative Irish companies with global ambition through Enterprise Ireland's seed and venture programme; the future growth loan scheme and Microfinance Ireland; and the European network of digital innovation hubs to help companies improve their processes, products and services by use of digital technologies.

The budget also provided for a range of additional enterprise supports through other Departments, as well as taxation measures designed to support business. This is an outline of the measures to support enterprise from the additional funding provided to our Department in budget 2021. These measures are additional to core enterprise supports that continue to be delivered by the Department and our agencies.

Chairman: I thank Ms Mulligan for her opening statement.

Deputy Louise O'Reilly: I thank the witnesses for the opening statement. I have several questions. I am happy to take answers in writing to some of the questions as we are tight for time. Could I get a breakdown of the Covid restrictions support scheme, CRSS? I seek detail on whether it is an advanced tax credit scheme and, if so, what are the tax implications for businesses. I also want to ask about the implications for suppliers. Will someone who has only one customer, for example, a company that supplies to the catering trade or the hospitality sector, be covered by the scheme in as much as the business is not customer-facing itself but is dependent on the hospitality and tourism sector? If it would be easier, I will ask all my questions, Chairman.

Chairman: Yes, whatever the Deputy wants.

Deputy Louise O'Reilly: I will ask the first two and then I will have another round. On page 3 there is a reference to the Covid credit guarantee scheme and the fact that it is the largest financial instrument in the history of the State. We know that it is being massively talked up by the Government as a €2 billion financial lifeline to struggling businesses. In my opinion, the scheme was delivered quite late, five months after similar schemes in other jurisdictions. While the €2 billion that is available is a large amount, only 128 loans have been approved with a total value of €6 million, which is less than 3%. Do the witnesses have a view on the reason businesses are not taking up this offer that was very much lauded? I will get a response to my first two questions.

Mr. Declan Hughes: The CRSS was launched as part of budget 2021. It is a significant new initiative that is open to companies and the self-employed, who are operating from a premises. The scheme will be operated through the Revenue system. It is almost a successor to the restart grant scheme and provides support of up to €5,000 per week. Essentially, we see it as very beneficial in terms of covering the operating costs for businesses and ensuring that they can sustain their activities. Businesses can apply through the Revenue online system, ROS, so it will be very efficient from that perspective. The claims process will be available from mid-

November. Revenue and the Department of Finance have given a number of examples, many of them focused on the hospitality sector, the tourism sector and other sectors, so they would be direct beneficiaries.

We can follow up on the detail of the specific case Deputy O'Reilly mentioned, but essentially, if the business is operating from a premises and if the turnover is no more than 20% of the weekly turnover from the previous period-----

Deputy Louise O'Reilly: So the customer element is not the issue.

Mr. Declan Hughes: It is not specified but I can follow up on that for the Deputy.

Deputy Louise O'Reilly: It is just that was mentioned in the speeches at the time and I want to be clear that it would apply even if the fall-off in revenue is not customer-related.

Mr. Declan Hughes: It is intended to be turnover based and it is across all sectors. Many sectors are affected, not just the customer-facing ones, but those who operate business to business. We can clarify that for Deputy O'Reilly.

Deputy Louise O'Reilly: Specifically on the tax implications, business owners, no more than myself, want to know if it is their own money essentially that they are being given. It is just an advance and at some point they will have to pay. What will be the tax implications and when will they be paying?

Mr. Declan Hughes: Again, we would have to clarify that but as the Deputy indicated it is an advanced credit for trading expenses. I am not sure about the exact detail because it is a Department of Finance scheme but we are happy to get the detail for the Deputy.

Deputy Louise O'Reilly: It sounds a little bit to me as if one is being given a present of one's own money. It would be fantastic if there is more detail in the note.

Mr. Declan Hughes: It is intended to help businesses cover their costs and provide direct support to them. It is a successor to the restart grant, which was a direct grant.

I thank Deputy O'Reilly for the question on the credit guarantee scheme. The scheme was launched in early September. It was announced as part of the July stimulus package. It did require a couple of steps in order to go through; the first was legislation and the second was approval at EU level from a state aid perspective, all of which was achieved in very quick order during August and it was launched in early September with the three pillar banks. There has been very significant interest in it. I can report that, as of last Friday, 1,200 application had been recommended by the banks to their credit departments. They had gone through all of the initial stages and they were in the final stages of being approved to a value of approximately €64 million. What was reported was the amount for the previous weeks in terms of what was actually drawn down in terms of the €6 million, but we would expect that to increase significantly.

Deputy Louise O'Reilly: Could I just ask about the relationship between the application and the numbers that actually draw down. That is a big number that has applied but the evidence of the number of people who have actually drawn it down looks quite small.

Mr. Declan Hughes: At the moment businesses have had loan breaks, for example, with their banks, which may be expiring and they are now putting additional facilities in place. Businesses are obviously taking precautionary measures to ensure that we have the necessary cover. They apply, go through the application process and then they get approval from the bank. The

next stage involves drawing down the funding. We saw that at the start of the crisis in March and April when we saw a spike in overdraft applications and facilities being put in place but not actually being drawn down. What we are saying to businesses is to ensure that they have the facilities in place, in particular now with the credit guarantee scheme, but for Covid, and to cope with the unknown we face in the coming weeks, but also in the context of Brexit. The credit guarantee scheme is a facility that provides essentially six-year money of up to €3 million at attractive rates from the pillar banks. We have also just completed an open call and we have a number of other parties, financial institutions and lenders in the market, who are interested in participating in that.

In terms of the numbers that are going through the credit application process, I think it was about 850 on the previous Friday and it was up to 1,250 last Friday, an increase of nearly 50% on the applications that are being processed through the banks. The banks are reporting strong and brisk interest. We will report next week on the numbers of applications, those that have been approved by the banks and the actual drawdown so we will have a good picture of what is happening in each of those areas.

In response to the question on why businesses might not take part in the scheme, we know from surveys by ISME and others that 60% of businesses did not have debt facilities previously, so for some of them they may be reluctant to take on debt. They are also assessing their financial position and working through in terms of their financial planning. That has been one of the areas on which the local enterprise offices have been working very closely with businesses through their business continuity vouchers sector to make sure they have those financial plans in place. We anticipate that the demand for the credit guarantee scheme would step up. As I indicated, in the first five weeks we had 1,200 go through to the final stages and it will step up significantly in the coming weeks. We saw something similar with Microfinance Ireland, MFI, during the summer where we had an acceleration in its loan applications to small businesses. Up to €19 million was approved up to July, and then that tailed off as the economy began to re-open. MFI, for example, would stand ready now to support businesses over the coming period, during level 5 but also in preparing for Brexit next year.

Deputy Louise O'Reilly: I would still maintain that the numbers taking it up are very small.

Deputy Richard Bruton: I might come in on a second round but I will ask a couple of questions first. One of the issues that concerns me is that we design now in the interventions that we put in that we will have a sustainable recovery pattern as we come out of this in order to create a recovery. To what extent is the Department embedding repositioning for structural changes in the instruments it is offering? I am thinking of climate change, the digital transformation, the change in work patterns and the decline in the use of cash. I know there are some online instruments, but there is a deeper form of change going on here that will impact on a lot of sectors. I wonder if the Department is having a good look at that and perhaps structuring in audits to some of its supports so that there is a requirement at least that enterprises would audit some of their weaknesses in these areas. While it might not be immediate for them to find cash to solve them, at least it would put them on the radar.

In the estimation of the witnesses, how many enterprises are likely to require restructuring as we come out of this period in terms of the restructuring of their debt and rental leases? What is the progress on a lighter form of examinership than the very expensive High Court approach? I fear that quite a number of enterprises may need that sort of restructuring and we may not have the instruments to support it.

Mr. Declan Hughes: I thank the Deputy. I would like to make a couple on points on the design of interventions. The enterprise base came into this crisis at the end of last year and the early part of this year in quite a strong position. It had come through the last crisis. I refer also to the internationalisation of the enterprise base and the strength of the domestic economy. That helped with some of the early adjustments. However, there is no doubt that the last six months have seen an acceleration of some of the significant disruptors the Deputy has mentioned, namely, digitalisation, the impact of climate change, remote working and changing patterns in the use of cash and other payment forms. That has applied across all sectors. Sectors in which we were not getting traction, which had significant difficulty with the transformation of their businesses, have gone on that journey in the last six months. I am particularly thinking of the domestic service economy's uptake of digitalisation. There have been almost 9,000 applicants for the trading online voucher, which is offered by the local enterprise offices, in the last six months. That is almost equivalent to the previous five years' worth of applications and awards. The significance of that is not limited to funding. The scheme requires enterprises to go through a formal process, including a web seminar, to make sure they have a structured programme in place.

Deputy Richard Bruton: Can the Department do the same for climate action? There must be some similarly low-hanging fruit in the climate agenda.

Mr. Declan Hughes: I think so. If I may finish my point about retail, our online retail scheme, which has undergone two pilots in 2018 and 2019, has been accelerated again this year. We had 380 applicants for €5 million in funding in July. We will announce another award at the end of this year. As members will see, further funding has been allocated for next year.

There is a similar picture on the climate side. Businesses have seen some of the things they can do. Remote working certainly helps to reduce travel time to work and increases productivity in many ways. Just this year we have collaborated with the local enterprise offices to launch a new green enterprise voucher to get businesses to take the first step. That will include carrying out audits and assessments to show where businesses can reduce waste, increase efficiencies or improve their energy use. The first steps in a green transition are auditing, assessment and planning. The next step is ensuring that we have the funding instruments to help businesses on that journey. As the Deputy will be aware, we already have supports and schemes to assist start-ups in the green economy and to respond to climate change. We offer support for the commercialisation of technology emerging from the research system and for collaboration with the research sector. One example is the Dairy Processing Technology Centre, which is a collaboration between dairy companies, Science Foundation Ireland research centres and small and medium-sized enterprises, SMEs. Its objective is to reduce the carbon footprint of operations within factories. Some 20% of the dairy sector's carbon emissions come from within the factory gates. This initiative aims to reduce that. Some €10 million has been allocated in the July stimulus for further initiatives in support of the green economy and to help businesses with audits and with transformations.

This is not limited to new initiatives. Much of the funding which goes to businesses is now linked to environmental aid, which is allowable under EU state aid rules. That allows us to support investment. For example we would not necessarily support the replacement of existing equipment which is not as energy-efficient as the best available technologies. There is a role for the State in incentivising that investment. Members will also be aware that budget 2021 made improvements to the accelerated capital allowance for more energy-efficient equipment. Our policy is a combination of carrots and sticks. Businesses see the problem in terms of the mar-

ket, including carbon taxes and international market demand for firms to have green credentials and be part of the circular economy. Several businesses in the recycling sector have signed up to a new responsible recycling, R2, standard. This has now been accredited by the National Standards Authority of Ireland, which is one of our agencies. It certifies businesses as having a fully compliant supply chain, which opens up new markets for those businesses.

Surveys from the Central Statistics Office, CSO, show that between 1% and 2% of businesses have ceased trading in the past five or six months for various reasons. They were not resilient at the beginning of the crisis. We also know from the CSO that turnover for between 8% and 10% of businesses did not meet operating costs at the end of August. That group is vulnerable, but many of those businesses are viable in the medium to long term. Supports such as the Covid restrictions support scheme, the Covid-19 wage subsidy scheme and the restart grant plus have been providing direct support for those businesses and sustaining them. I note that the Covid-19 wage subsidy scheme has now been extended through next year. The key concern in offering this support is helping those enterprises to pivot, develop new business plans and find new opportunities. Some will need to go through the examinership process. The Minister and his predecessor, Deputy Heather Humphreys, wrote to the Company Law Review Group and progress has been made on an improved examinership process. We are expecting good progress on that.

Deputy David Stanton: I thank the witnesses for coming here this morning and giving a very interesting and timely presentation. The witnesses mentioned that €10 million has been allocated to supporting the IDA Ireland regional property programme and seven advanced building solutions have already been put in place. Could the witnesses say a bit more about those? Where are they located and what is being done? Am I to take it that this €10 million will support more of these advanced building solutions? Perhaps the witnesses could discuss the ambitions of this initiative.

I see that the Covid-19 online retail scheme is now closed. Can the witnesses say when the new call for applications will be made? Has any analysis of the trading online voucher been carried out? What kinds of businesses has it served and how successful has it been? Does it need to be tweaked in any way? Are the witnesses satisfied that businesses are aware of its existence? I ask the witnesses to pass my thanks to those managing the call centres. Several companies that have contacted me were not aware of this initiative. I told them about it, they made contact and the outcomes have been very positive. One company managed to hold onto all of its employees because of the assistance and information it received. Those managing the company were not aware of this possibility until I told them about it. Perhaps something should be done about that.

There is a lot of talk about buying Irish at the moment. What can be done to encourage people, and particularly State agencies and Government Departments, to purchase Irish products? Last night I got a report from one company that had been doing business with a certain State agency. The company has now been told that the agency has decided to purchase abroad and leave it in the lurch. I can provide more details on that if the witnesses want. I am anxious to encourage our own agencies to buy Irish. I know that there are procurement issues.

A lot of company assessments were carried out from July to September, especially for the purposes of the employment wage subsidy scheme. We have now entered a new phase of lockdown. Companies did well when they opened up in July, August and September. They now find they are locked down again. Are there any plans to change the schemes to take account of what will happen in the next weeks or months? It has been suggested that we should analyse

the period from October to next March rather than from July to December 2020. I think that is it. I thank the witnesses.

Ms Pauline Mulligan: I will kick off and take the comment on the call centre. I thank the Deputy for his feedback. This action was taken immediately when the pandemic hit. Business supports were rolled out to put the call centre in place. We did not previously have such a facility in the Department. We have doing much to promote it through social media and other channels. We have decided to make it a permanent fixture in the Department to provide information to companies about supports provided by the Department of Business, Enterprise and Innovation and other Departments. It will remain a permanent fixture of the Department.

With regard to the IDA Ireland regional property programme and the additional €10 million allocated for it, regional development remains a top priority for the Department and for IDA Ireland. That is why we continue to fund the agency's regional property programme. A key premise of the programme is that it encourages and facilitates regional investment by ensuring suitable properties are in place to meet the needs of multinational firms. My Department has allocated €52 million to the IDA Ireland property programme in 2021. This compares to an allocation of €16 million in 2015. This increase in the authority's capital budget for property reflects the continuing priority we attach to job creation and economic growth, particularly in the regions. The impact of the regional property programme is reflected in the transformative nature of some of the key investments secured in the regions. Through this programme, more than €100 million in capital investment and over 1,000 high-quality jobs have been secured for towns and cities such as Waterford, Athlone, Castlebar, Limerick, Sligo and Tralee. I will pass over to Mr. Hughes to answer the other questions.

Mr. Declan Hughes: On the matter of online retail, there are two parts to our approach. We have a general scheme of trading online vouchers which we operate with the Department of Environment, Climate and Communications. Introductory vouchers of €2,500 are provided for all businesses, right across the board. As I said, during the early stages of the pandemic, such vouchers were provided to everything from takeaways to restaurants, professional services companies, manufacturers and software firms that trade internationally. We also increased that. A number of businesses may have got their first voucher in previous years but we changed the regime so they could get a second voucher to increase sophistication. I would like to get the message out that any business that got a voucher in the first six months and which may have implemented its plan is encouraged to come back for a step up as such businesses may need to put new systems in place with regard to customs relationship management. That scheme operates right across the board.

The online retail scheme is another step up. It is specifically aimed at the retail sector, which has been broadly defined, to help improve firms' sophistication. In some cases, firms may need to hire a studio and invest in photography to demonstrate their activities or to expand the range on offer. I can think of some examples. When the Tánaiste launched the list of the 183 successful applicants under the scheme, he did so in a fashion retailer in central Dublin which operates five or six stores and which had never traded online previously. We also have the example of pharmacists, some of whom who have one or two premises will say that they now have a third shop which operates 24 hours. While they are sleeping, money is coming in. These are real examples. With regard to traditional business, I can think of a marine supplier who has engaged in the scheme. The scheme operates across the board and up to €40,000 is available to businesses under it.

We reduced the internationalisation criteria for the scheme as part of the call during the

summer. It was previously very focused on helping companies to serve the domestic market while internationalising. We see that serving the domestic market is very important in its own right and we wish to help businesses with the transition towards an online presence, which I mentioned earlier. We have just closed-----

Chairman: I thank Mr. Hughes but we will have to move on to Deputy Shanahan as the time has run out.

Deputy Matt Shanahan: I thank the witnesses. I hope that, as the work of this committee progresses, we will get more opportunities to speak to the Department. We will not have time to get through very much this morning.

I will highlight a couple of issues. The Department's submission is welcome, as is the funding mentioned within, but there is an obvious bias towards larger businesses in Ireland and foreign direct investment. A simple case in point is the €5 million provided for microfinance. This is totally inadequate for the needs of small business. It is not an easy process for businesses to go through. The smaller businesses within the SME sector probably employ 600,000 to 700,000. These are largely owner-operated businesses. Although the supports the Department representatives are speaking about are welcome, they are very hard for these business people to access. As someone who has spent time around the enterprise sector, I know that all these strictures have to be looked at with regard to those running smaller businesses who are writing applications and trying to get through the funding process. Mom-and-pop businesses do not have the bandwidth to find people to do these applications. I know the local enterprise offices supply consultants but we are talking about trying to support businesses at the earliest stage.

Deputy Stanton already mentioned the early online voucher, which was very welcome. The Department will have seen the take-up. The funding has, however, stopped. That needs to be restored as a priority. People need to be able to access this scheme very simply and very easily. They also need to have their hands held. Going online is a strategic decision but once that decision is made, it must be followed up. Many businesses are left with a website but need ongoing support in generating business online.

I will also refer to the first and second restart grants. When the second grant was announced, the application dates for the first grant were moved forward. This meant that the deadline had passed for people who were going to apply for the first grant before their applications were considered. They were therefore not able to avail of these grants. It was rather devious on the part of the Department to make an announcement of two tranches of funding when it was obvious that many people were only going to be able to avail of one. I hope we will not see this being done again. In the main, the facilitation of applications is really important from the point of local enterprise offices and businesses.

With regard to the Brexit readiness supports, I know these are mainly for exporting companies but they are also for companies which have to bring in supplies from outside of Ireland. We need to be aware of the difficulties they will face. We need to do much more in that regard. I will not ask the representatives any questions today. I would rather engage with them indirectly or at a point in the future to go through a large number of issues affecting the SME community which need to be addressed.

Mr. Declan Hughes: I thank the Deputy for his comments. To be very clear, the allocation for trading online vouchers this year was initially €2.3 million. This allocation has been exhausted and then increased on two or three occasions already this year and is now more than

€20 million. It has been stepped up quite significantly. In fairness to the local enterprise offices, 9,396 applications have now been approved and paid out. This is five years' worth of applications in the space of five months. Together with the Department of Environment, Climate and Communications, we have provided significant additional funding for that scheme throughout the year. The Deputy's point on engagement was absolutely correct. With regard to business continuity vouchers, some 12,000 have been allocated in the space of five months. In fairness, there has been very significant stretch work by everybody involved.

With regard to the restart grant, 100,000 applications have been received and more than €450 million has been paid out, including €40 million in the last week. These applications are being dealt with very quickly. The first restart grant was, as the Deputy may recall, very limited. There was a minimum payment of €2,000 and it only applied to companies with up to 50 employees. We then significantly reformed the grant and the Tánaiste launched the significantly improved scheme which was open to businesses of up to 250 employees with a minimum payment of €4,000. There has been a number of sequential increases or top-ups over recent months as other parts of the country have closed down. The local authorities have kept the first restart grant scheme open for any business that did not apply in time. Such businesses can go to the local authority, which is dealing with those grants. There is a system and process in place for dealing with such companies. The funding is there for them.

With regard to Microfinance Ireland, MFI, under the original legislation it could lend €35 million. It worked incredibly hard to get €20 million in additional lending out and exhausted that ceiling. We then put in place additional legislation to increase its lending ceiling to €105 million. Additional funding was provided as part of the Revised Estimates earlier this year in order that it could meet that lending. Government money will go in as equity for the future and then MFI will be able to borrow on the market. Its parent previously was the Social Finance Foundation and it had exhausted what it could support. The SBCI will be borrowing on market for MFI at low or near to zero interest rates and the Exchequer funding goes in as equity for that. We have no capacity constraint on the funding that is available for MFI. There is up to €100 million available. It is considering new products and we will shortly be bringing out additional products. It has a very quick turnaround as well. It has also had to deal with significant additional demand. Its run rate was €4 million to €5 million a year. It did €20 million in five months and it stands ready to meet anticipated additional demand in the coming months. I am happy to engage further with the Deputy.

Chairman: Following Deputy Shanahan, the next member is Deputy Bruton.

Deputy Richard Bruton: Do we have a very tight time limit?

Chairman: It is a five-minute slot again.

Deputy Richard Bruton: I am asking in terms of the overall session.

Chairman: We have 55 minutes.

Deputy Richard Bruton: That is not too bad. To some extent I am revisiting some of the issues I raised. Specifically, we have had very strong agencies like Enterprise Ireland which has been very focused on export-oriented sectors. Given the structural changes that are happening, do we need to take that type of more developmental approach to other strategic areas of the economy? With the national economic plan coming up, which is setting our sails for a number of years rather than from day to day as we are surviving at the moment, is the Department

looking afresh at the issue of a wider range of companies that would be deemed strategic? Is it looking afresh at regional policy? During my time in the Department we launched the regional enterprise strategies. There is an opportunity in the context of broadband, remote working and climate considerations to reboot and redesign regional strategy to take account of the new realities we have. Will that be a part of the mix?

Senator Garvey shares my interest in the start-up environment. On the last occasion, 100,000 jobs were created by companies that set up their businesses in the face of the most depressing economic environment between 2010 and 2013 or 2014. Those 100,000 jobs were extremely important to us. Do we need to look beyond what I almost regard as an obsession with high-potential start-ups? They are great if they become the great steers or stags or whatever people say they will become but should we be focused on the more common-or-garden start-ups in food and those operating on a smaller scale?

Mr. Hughes is right that we have many potential supports for the climate adaption aspect. I recall Chris Horn speaking about our innovation strategy many years ago. He said we launch a lot of boats but what we need is an admiralty. The Department needs an admiralty in respect of climate adjustment not the admiral number of boats it has launched that are there for people to climb on board if they have the motivation. It needs to create a more strategic approach to this. I hope the national economic plan might be the vehicle to start that.

Mr. Declan Hughes: I thank the Deputy for those comments. Certainly all those issues are ones we are currently considering. In the context of the national economic plan, the Tánaiste and the Government have commenced the development of that process. As we speak, stakeholder consultation sessions are taking place this morning, for which more than 200 stakeholders have registered to engage virtually. That is looking afresh right across the economy, as the Deputy said, to build for the medium and longer term.

One particular element that is an input into that process is the SME task force which the Tánaiste established about three weeks ago. It has already had two plenary meetings and formed a series of four subgroups. They are meeting on the key areas of entrepreneurship; areas of productivity and competitiveness, of which climate change is obviously a part; internationalisation; and collaboration and networks, bringing in the regional dimension. That is on the back of an OECD report we commissioned and received at the end of last year, which involved a fundamental examination of our supports for SMEs and entrepreneurship in the country. The report identified a number of key areas we need to focus on, including climate and the green agenda but also the levels of and adoption of digitalisation, which it indicated were behind where they should be for our SME base. In multinationals we have our productivity levels, our start-up levels and our rates of internationalisation. The report set clear targets for stepping up all of those in terms of, for example, a doubling of the number of start-ups, which brings me back to that point regarding not only the high-potential start-ups, HPSUs, but start-ups in all parts of the economy. The Deputy will recall that during the recession we went from having 14,000 start-ups a year to 18,000 or 19,000. They were across the board, with HPSUs accounting for 150 a year.

As to how we support entrepreneurship in all parts of the economy, that is also linked to the regional agenda. As the Deputy mentioned, as part of the regional action plans, we have €100 million for regional enterprise development funds. That is funding hubs and enterprise centres around the country. There is one now in every county which was a target under the Action Plan for Jobs. We also launched a €15 million Border enterprise development fund to help Border countries to respond to Brexit. Entrepreneurship is a key part of that in addition to responding

to advanced manufacturing, digitalisation-----

Chairman: I point that the time allocated for Deputy Burton is up. The next member is Deputy Louise O'Reilly.

Deputy Louise O'Reilly: I have three questions which I will ask together if that is in order. If there are answers to them, I ask that they be given in writing following the meeting. My first question relates to rents for small and medium enterprises. I particularly refer to small businesses. Many of them have received forbearance from their landlords and those landlords are to be commended. Some have not received it, and I guess many have not, judging from the queries I have received. Has Mr. Hughes a view on whether a fast-tracked arbitration service could be provided for small businesses to engage with landlords to discuss reducing the rent and making rent sustainable to ensure they do not have to close their doors which I am sure is everybody's focus? The Department has produced a code of conduct but could more be done and should more be done to help businesses with commercial rents? Has any thought has been given to a fast-track system? I am not the only person who has been speaking about it. Has Mr. Hughes a view on how it would work and whether it should be recommended?

There was an allocation of an additional €4 million in budget 2021 under the heading of Health and Safety Authority pay. I understand a significant portion of that will go on pay restoration. I tabled a parliamentary question on that but the Department did not give me a breakdown on how much will go on pay restoration. How much will be left to convert for the provision of staff? Some of that €4 million will go towards pay restoration. Can Mr. Hughes give me a breakdown on that? The Minister of State, Deputy Troy, in a press conference, was adamant that it would all be for new staff. That parliamentary reply indicated that it will not all be to provide for new staff and that some of it will be for pay restoration. Mr. Hughes might give me the breakdown on that as I do not believe anybody would dispute that we will need additional health and safety inspectors.

Regarding remote working, has Mr. Hughes a position on the right of workers to disconnect? That has been much talk about the physical implications of Covid but the mental implications of it are major. People who are working from home tend to be always at work. I am sure many people in this room have had the experience of working at home. It has many advantages but it also has disadvantages, in particular for people's mental health when they do not have the right to disconnect. Does the Department have a position on giving employees a statutory right to disconnect so they can switch off when they are finished?

Ms Pauline Mulligan: On the question of the Health and Safety Authority and the additional €4 million, that is all for additional resources. To clarify, the money for pay restoration is outside of that.

Deputy Louise O'Reilly: I thank Ms Mulligan.

Ms Pauline Mulligan: The Department has carried out a consultation on a framework for remote working and is in the process of developing a national policy strategy for remote working. I guess that the right to disconnect is something that will be considered as part of it. I think that is a commitment in the programme for Government, but we do not have a position on it at the moment.

Mr. Declan Hughes: We can follow up directly on the rents for SMEs. We have a code of practice and we will see how that operates when it is rolled out. The matter will be kept under

review.

Deputy Louise O'Reilly: How will the review work?

Mr. Declan Hughes: Colleagues from the Department will continue to monitor the situation and get feedback from stakeholders as to the take-up and use of the code of practice.

Deputy Louise O'Reilly: Could the information be shared with committee members?

Mr. Declan Hughes: Yes, we can certainly do that.

Deputy Louise O'Reilly: When can we expect to get some information?

Mr. Declan Hughes: I will have to come back to the Deputy on that.

Deputy Louise O'Reilly: That is grand. It would be brilliant if Mr. Hughes could follow up directly.

Deputy Francis Noel Duffy: I would like to offer my time to Senator Garvey.

Senator Róisín Garvey: It is good to have the witnesses present. I thank them for coming in. I have just a few short questions. Like Deputy Stanton, I would like to hear specifically about the promotion of Irish businesses in terms of whether there is a PR plan in place rather than the supports that are being given in the background. There should be something at the moment to assist Irish companies with procurement, as part of the marketing scheme. Perhaps that is a legal issue.

Has there been any movement towards sustainable indicators for enterprises? I spoke with the head of the local enterprise office and with John Moran on these issues. If there is funding, businesses are also encouraged to save money on energy, so they can save money in that way as well. In other parts of Europe when grants are given, the greener the business, the greater the grant provided. A sustainable indicator system is used. I accept we do not currently have such a system but that is something we must move towards if we are serious about climate and saving money for businesses. There should not just be grants to help businesses reduce energy but also a component that rewards them for doing so as well. Businesses can vary from those who do not give a damn to those who really care and there should be some kind of indicator in that regard.

Does Mr. Hughes have any information or statistics on productivity related to working from home? I am interested in getting some information on that and to see how the Department can support it. That is something I want to work on more as well.

Some 53% of agri-food comes from England, not just through England. The reason I was late to this meeting is that I was at a meeting with Teagasc this morning. Much of that is beverages, animal feed and what is called consumer-facing food. I do not even know what the latter is but I intend to find out. The percentage is significant. In terms of promoting enterprise in Ireland, should we promote enterprises that will reduce our dependency on importing 53% of animal feeds, beverages and consumer-facing food? Will the Department conduct research in the area to see what we can do to reduce it, especially with Brexit and the carbon footprint?

Is there a one-stop-shop for small businesses to find out about all the supports? I constantly find bits and pieces everywhere. Is it all under one Department's website or is there a one-stop-shop for small business so we can help to let them know about it?

People will be queuing now for the winter. Has the Department thought about a specific provision on awnings outside businesses where people are queuing for takeaways? The winter will be tough and we are not all great at dressing for the weather, even though we should. We see beautiful awnings in other countries in Europe that have a similar rainfall and probably worse snow than us and they got subsidised for them. That is something simple.

I wish to ask briefly about businesses which do not have products for sale online. I worked with John Moran, STRIPE and others on a Lean on Me campaign. I do not know if Mr. Hughes heard about that. We did it for businesses that do not normally have products one can sell online, such as restaurants, bars and hairdressers where one can avail of buy-it-forward vouchers to give them hope. It worked amazingly well. It was more about hope than the quantity of money they got. That is different from people who can sell clothes or earrings and other such things online. Lean on Me was done on a voluntary basis. We all invested our own time and money in it and the money did not come from the Government.

I have further questions but I will stop talking in a moment. Who is on the task force? The Department cannot focus on all 17 sustainable development goals. I think it would be better if we chose a specific few and focused on them. From working in education I know that we did not ever try to work on all 17. We would pick three or four to focus on and that may be something the Department could look at.

I want to say thanks a million for the money for the remote working hubs. It was a pre-budget submission I made. It will be life-changing for small businesses that have no Internet and can now convert old buildings into healthy Wi-Fi hubs.

Mr. Declan Hughes: As my time is limited I will race through the questions. On remote working hubs, we have quantified, with colleagues in the Department of rural affairs and also the Department of Communications, Climate Action and Environment that there are nearly 1,000. We have enterprise centres, which are more sophisticated, in the sense that they offer business development programmes, all the way down to libraries that have Wi-Fi. We want to ensure that everybody has access to a facility where they can remote work but also where they can collaborate and network because that is hugely important for them from a business development perspective and getting start-ups.

On the issue of sustainable indicators, one point I would make on it relates to the procurement side. We now have guidance on green procurement. That will be a challenge for many businesses but it will also provide significant opportunities. If a company can get its green credentials in terms of demonstrating energy efficiency and in waste management and responding to green opportunities, for example, with sustainability across all of the sustainable development goals, that will help to position it, in particular for Irish-based businesses on the procurement side.

A question on procurement came up earlier. I am on the interim board of the Office of Government Procurement and it has a dedicated SME advisory group, which meets three or four times a year and it continually engages with SME representative bodies such as Chambers Ireland, ISME and the Small Firms Association, SFA, among others, to identify blockages or gaps to Irish businesses. It is within the context of the EU framework on procurement but many initiatives have been taken and many things can be done. The majority of businesses participating in public procurement are SMEs but it is not necessarily the same in terms of the actual value. We want to increase that participation. The LEOs, Chambers Ireland, InterTradeIreland and others do work on helping businesses to navigate through the procurement system.

In terms of a one-stop-shop, Senator Garvey mentioned LEOs and I want to emphasise again that the LEOs in every county are the first-stop-shop. What they found in the recent crisis is that so many businesses had come to them that they had not previously dealt with, so they work right across all sectors in terms of that first piece of advice. We have a website, *supportingsmes.ie*, and a business can put in its size, scale and location and get direct contacts to businesses to whom they should be talking.

In terms of awnings and other facilities, some of that is a local planning issue. A lot of initiatives that can be taken are being taken by local authorities and we would encourage them to be as flexible as possible, which many of them have been. We have seen in many cases that the funding available through the restart grant has helped businesses to invest in PPE as well as site facilities. It is a case of working with the local authorities on the public realm. We would welcome those initiatives.

I will mention a couple of points on the general promotion of Ireland. We heard this morning about the new guaranteed Irish campaign on guaranteed Irish gifts. The Design and Crafts Council of Ireland launched a Made Local campaign a few weeks ago. That is about Irish design and craft and giving the designers and small businesses a platform where businesses can access them. We also have a brochure which has gone out to all the embassies and overseas offices which shows the type of giftware that is available. There is a really good promotion happening through Design & Crafts Council Ireland. In terms of retail, one of the big initiatives, which the Minister of State, Deputy English, will be leading in the coming weeks, is about shopping early and shopping local for Christmas, so that we do not have queues in the last week for collection. Members may have seen some of that. It attempts to put a spotlight on and give a platform to Irish businesses. We are very happy to work with business groups to promote local goods and services. I will come back to the Senator with statistics on productivity.

Senator Róisín Garvey: I think we have some time because I was the next speaker anyway and I got Deputy Duffy's time. I do not want to put Mr. Hughes under too much pressure.

Mr. Declan Hughes: There were losses in productivity from the networking and collaboration side. Businesses are getting significant time efficiencies and savings due to people not travelling and not being stuck in queues, but one does lose on the other side. We can come back on that.

Some of this also relates to an earlier question Deputy Stanton asked about trading online vouchers. Businesses that have gone online have increased their sales and increased their employment, but their sales increased faster than their employment increased, so they are getting productivity increases by making better use of their facilities. I referred to the chemist who now has three shops but the capital investment is only in two.

I will make two points about the agri-food sector. That is a continuing focus for both Enterprise Ireland and Bord Bia. As the Senator is aware, Bord Bia is the national food promotion agency and works with businesses, in particular in the retail sector, to ensure that small start-ups, which Deputy Bruton talked about, have access to supply chains and into the large retailers. Many of those are working very successfully. Members will have heard of initiatives such as Food Works, which is operated in conjunction with Teagasc, Bord Bia and Enterprise Ireland. That has helped about 50 small businesses by teaming them up with retailers to give them access. Some of the brands we have seen in the past five or ten years, for example in the soup area, started on that journey through that type of import substitution route.

There is further potential for that, in particular in the context of Brexit, where we have gone through a very detailed assessment of products and commodities that are imported. In some cases they are major brands and they are manufactured in either Great Britain or on the Continent and we substitute them. There was a time when nearly all, between 90% and 95%, of our biscuits were imported. East Coast Bakehouse in Drogheda was established just before Brexit came on the horizon in 2015 or 2016. The business was supported by Bord Bia and Enterprise Ireland and it identified an opportunity to bring a premium product to the market and it is trading very successfully not just in Ireland but internationally as well. There is a focus on start-ups and early-stage food companies and giving them reference sites in Ireland with a quality product that has good provenance, and then it has a foothold to bring it to the European market as well. I am happy to follow up with any other points the Senator wishes.

In terms of vouchers, we are very open to a range of such initiatives. I think there is an exemption from benefit-in-kind, but I will come back to the Senator on that, for companies that reward their employees with vouchers, etc. Perhaps coming up to Christmas there is an opportunity to do that again.

I will come back to Senator Garvey on the members of the task force. It is on our website. There was an open call for submissions but that closed last Friday.

Senator Róisín Garvey: I heard about it.

Mr. Declan Hughes: If there are further submissions we would be very happy to get them. The membership has a broad base. It is chaired by the Tánaiste with the Ministers of State, Deputies Troy and English, and has members right across the hotel sector, academics, start-ups and those working with minority groups as well. I think there are nearly 20 members, together with representative bodies.

Senator Róisín Garvey: I am sorry, but did Mr. Hughes say the website is *supportingsmes.ie*?

Mr. Declan Hughes: Yes.

Senator Róisín Garvey: I thank Mr. Hughes very much.

Deputy David Stanton: I might be missing something but am I right in saying that the online voucher scheme is now closed? It says on the Enterprise Ireland site that it opens on 31 August and closes on 28 September.

Mr. Declan Hughes: Is that the online retail scheme?

Deputy David Stanton: Yes.

Mr. Declan Hughes: The most recent call, for which we had anticipated an award of approximately €5 million, is done on a call basis. We have additional funding next year, which totals €10 million, and those calls will issue either before Christmas or just after Christmas.

Deputy David Stanton: Is it correct to say that if somebody is interested in availing of the scheme now, he or she cannot do so? It will not be possible to apply because it is closed for applications.

Mr. Declan Hughes: The retail online scheme is currently closed and we are assessing the applications. It was a competitive call. We anticipate that we will probably have about 350 or

400 applications for that. We will shortly launch a further call once we make the awards for this call.

Deputy David Stanton: Is Mr. Hughes saying that it will be this side of Christmas or perhaps next year?

Mr. Declan Hughes: On the basis that we have the funding in place for early next year, I would anticipate that we should be able to launch it just before or after Christmas.

Deputy David Stanton: Could I suggest that the Department would bring it forward as quickly as possible because a lot of businesses could do with it now when they are closed and they are under pressure? By Christmas they might not be in business any more. There is an imperative to do something. It is also important to advertise the scheme a little bit more because a lot of people do not know about it. Is it correct to say that the scheme is limited to people with ten or more full-time employees?

Mr. Declan Hughes: Yes, that is correct.

Deputy David Stanton: So a small shop on a street in a provincial town with two or three employees cannot avail of it.

Mr. Declan Hughes: They can get €5,000 straight up. We would encourage businesses to apply for that immediately. That is available for any business. Some 90% of businesses are microenterprises, so we would encourage any of those small shops or businesses that want to go digital or online to apply for the trading online voucher. On the basis of what we have seen from the two calls we have had this year, we anticipate that most of the businesses we would see that are eligible or would be interested are applying for the online scheme.

Deputy David Stanton: What is the other scheme Mr. Hughes mentioned?

Mr. Declan Hughes: The trading online voucher scheme.

Deputy David Stanton: Is that different from the online retail scheme?

Mr. Declan Hughes: Yes, exactly. An initial sum of €2,500 is available for the trading online vouchers, but it goes up to €5,000. The vouchers are available from all the local enterprise offices, which are available to work directly with microenterprises. If any business has an interest in the online retail scheme it can contact Enterprise Ireland and express its interest and inquire about the application process. There is no reason to wait for the call to issue. Businesses should start their applications now.

Deputy David Stanton: I asked another question earlier but Mr. Hughes did not get around to it, concerning the State's role in buying Irish and encouraging Departments and State agencies to buy Irish. Is anything happening in that space overtly?

Mr. Declan Hughes: I suppose I should preface any comments by saying that we operate within the EU guidelines. A key activity that all Departments and agencies can do and are doing is to work with the Irish supply base to ensure there is an informed supply base about what is needed. That then positions businesses to be better able to meet those requirements. For example, the app for Covid tracking was developed recently by the HSE and the Department of Health with NearForm, an indigenous Irish start-up. This was an example of collaboration between a technology company and the public sector. We see significant further opportunities for such collaborative development and design. The first point is to have that engagement and

openness, which is the reason we have the SME procurement group as part of the Office of Government Procurement. We can work with businesses then to ensure they are able to meet those criteria. The new requirements in relation to green public procurement will also be a significant help to Irish businesses, because it will give them certainty as to what those requirements are, and once they have gone on that journey, it will position them to access public procurement opportunities, particularly in the Single Market.

Senator Róisín Garvey: When is message about green public procurement being issued? I know from working with small businesses that have lost out in the procurement from local authorities to cheaper, plastic versions of products, that the message has not yet been received. Having spoken to a head of a LEO, I know that they need much more support in helping the SMEs to be competitive in the procurement process, because it was one of the things that was brought to my attention in a meeting I had before the budget, just a few weeks ago. Unless things have changed, it looks like the LEOs still need more support to help the SMEs to be competitive in the procurement market.

Mr. Declan Hughes: That is an ongoing area of concern. It is a sizeable market of between €10 billion and €17 billion when one includes the information technology part of it, but it is about actually working with businesses to help them. This new green initiative, which the LEOs are rolling out is a first step. I will come back to the Senator on the exact specifications, but the green procurement guidance has been issued and is a requirement. The next step is either that individual agencies and Departments develop those criteria, or alternatively, a common set of green criteria is developed, so that the SMEs have clarity in respect of those requirements, whether it concerns certification or not. We will support the Office of Government Procurement, OGP, with this work. As I mentioned, the National Standards Authority of Ireland, NSAI, stands ready to work with businesses which may need certification, and we would encourage businesses to go down the route of getting their green credentials and being audited, etc.

Senator Róisín Garvey: Did Mr. Hughes say SEAI?

Mr. Declan Hughes: The NSAI. It works on energy certification and, as I mentioned, on recycling, the R2 Standard, which is a US standard that has been brought to Ireland and the EU. That provides access to supply chains in the information and communications technology, ICT, sector. The certification can be a significant benefit, because it means that businesses meet the pre-qualifying criteria for supplying into some of the public sector or larger global value chains.

Senator Róisín Garvey: We know that under the wage subsidy scheme, there are two ways for a small business to get a wage subsidy for its staff, as long as turnover is not more than 30% of what it would normally be in a year. If turnover goes above 30% at present, the business will lose the wage subsidy for its staff. Is there a second tier? What I have gathered, from looking at the supports available, is that if one has a business and loses 70% of what one would normally be taking in, a staff wage subsidy is available, but if turnover goes above 30% of what is it normally, some of that subsidy will be lost. Therefore, I am wondering whether there is an incremental way of dealing with it, so as to not discourage businesses from going over the 30% threshold? Is Mr. Hughes aware of such an approach?

Mr. Declan Hughes: I will not repeat that, because there is certainly the 70% if one is down 30%. The CRSS applies to businesses which are at 20% or below, but I will follow up on the issue and send the information to the Senator.

Senator Róisín Garvey: I thought maybe it was 30%, but I would like to know if there

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Mr. Declan Hughes: The CRSS applies in cases where a businesses is taking 20% of its previous trade, but the threshold for the employment wage subsidy scheme, EWSS, is different. One point that I wish to make on the EWSS is that in budget 2021, the Government announced that the scheme will continue through next year. Initially, it was due to run until the end of March, but it will now run through 2021. It will be assessed on the basis of need, and important point is that it has also been increased up to €350 for anybody who is earning over €400 per week, in line with the pandemic unemployment payment, PUP.

Senator Róisín Garvey: That is great.

Mr. Declan Hughes: They are two measures that are now in place. Rather than moving staff onto the PUP, we certainly encourage businesses to look to keeping them on their books and close.

Senator Róisín Garvey: I wanted some clarity around the issue, because if a business goes a few euro over the turnover threshold, it could lose access to the subsidy completely. I was wondering what the cut off was. Is there any incremental way of doing it?

Mr. Declan Hughes: There is a cut off, I think, if one is down 30% as opposed to being only 30% of one's previous turnover. I can clarify it for the Senator. There are two different thresholds for both the CRSS and the EWSS. The top rate of both the PUP and the EWSS have now been increased and we encourage businesses to look at the EWSS. There are 40,000 businesses currently registered for the EWSS, so it is a direct support to keep employees in work, particularly through level 5 restrictions.

Chairman: This concludes our consideration of the matter today. I thank the witnesses for attending in person and remotely. The next meeting of the committee will take place in private session at 12 noon on 3 November.

The joint committee adjourned at 10.36 a.m. until 12 noon on Tuesday, 3 November 2020.