



Galway
Chamber
Ag cothú gnó le chéile

COVID-19
BUSINESS RECOVERY FORUM
REPORT

JUNE 2020

Contents

Foreword.....	2
Recover the Economy – Rebuild Society.....	2
Executive Summary.....	3
Introduction	4
Retail	4
Business Recovery Forum Recommendations:.....	4
Hotels.....	5
Business Recovery Forum Recommendations:.....	6
ICT	6
Business Recovery Forum Findings:.....	6
Business Recovery Forum Recommendations:.....	7
Advisory	7
Business Recovery Forum Findings:.....	7
Business Recovery Forum Recommendations:.....	8
Transport, Storage & Logistics	8
Business Recovery Forum Findings:.....	8
Business Recovery Forum Recommendations:.....	8
Medtech.....	9
Business Recovery Forum Recommendations:.....	9
Academic.....	10
Business Recovery Forum Findings:.....	10
Business Recovery Forum Recommendations:.....	10
Property Commercial	10
Business Recovery Forum Findings:.....	11
Business Forum Recovery Recommendations:.....	11
Property Residential.....	11
Business Recovery Forum Recommendations:.....	12
Non-Food Tourism	12
Business Recovery Forum Findings:.....	13
Business Recovery Forum Recommendations:.....	13

Foreword

Recover the Economy – Rebuild Society

2020 hasn't worked out as we would have liked. The COVID-19 crisis has delivered the sharpest, deepest and most traumatic shock to Galway's economy and society – ever.

All parts of our society have been impacted and virtually every sector of the economy is reeling – grappling with immediate issues and trying to figure out what the 'new normal' will be.

As we now work to plot our way out of this deep recession, Galway Chamber has been talking in depth to our members – from every business sector, large and small, rural and urban – to articulate their challenges in re-opening Galway.

Through these in-depth studies our Business Recovery Forum provides substance to the regular surveys of members we've been conducting with our colleagues in Chambers Ireland. Galway Chamber is the only business organisation in the country carrying out this substantive research.

An example of the type of issues being brought up is the need for sheltered queueing space outside retail and hospitality outlets. In Galway city centre and our towns this needs the co-operation of planners, the heritage department and others as well as insurers and neighbouring properties.

Each sector will feature in the report identifying the key actions required to help it recover and start re-employing people as quickly as possible.

The outputs of these consultations will be presented to national government in our regular Chambers Ireland meetings with the Department of Business, Enterprise & Innovation, Department of the Taoiseach and other government departments.

We'll take these issues directly to both local authorities, Councillors, TD's and Senators. We're also working closely with the Northern & Western Regional Assembly who will have a key role to play in securing funds for rebuilding Galway and the entire region.

A cornerstone of re-building our society is a thriving economy which offers employment to as many people from all educational and societal backgrounds as possible. Galway has been outstandingly successful at this in the immediate past and, with your help, it will be again.



Dave Hickey
President
Galway Chamber

Executive Summary

The COVID-19 pandemic has created an extraordinary economic shock for businesses in the West of Ireland. According to the COVID-19 Regional Economic Analysis Report, produced by the three Regional Assemblies of Ireland, County Galway is likely to experience 46.3% exposure to significant economic disruption caused by the pandemic and Galway City is the most at-risk urban centre in Ireland with an exposure ratio of 46.1%, higher than Waterford (45%), Limerick (44.9%), Cork (40.1%), or Dublin (38.4%).

In response to the Pandemic Galway Chamber set-up the Business Recovery Forum. The role of the forum was to coordinate and facilitate sectoral conversations with businesses to shape the Chamber's policy responses to support business and assist our members.

The sectors engaged were Retail, Hotels, ICT, Advisory, Transport Storage & Logistics, MedTech, Academic, Property (Commercial & Residential) and Non-Food Tourism.

The Retail, Hotel and Tourism sectors, all key components of the Irish economy, have been the worst affected. These sectors have experienced unprecedented levels of business closures (although we hope temporarily) and corresponding layoffs of an enormous scale. In Galway, the retail sector employs just over 5,100 people and the hospitality sector employs 7,500. The Tourism sector in Galway support 20,900 jobs and our research in this sector projects a 90% on average collapse in business activity for 2020

Our research has shown that in the ICT sector the level of impact is dependent on the company's size and the B2B sectors that make up their customer base. Some ICT SMEs are too large for some of the liquidity measures announced by the Government and require much higher levels of support.

Transaction based work has collapsed in the Advisory sector and firms are having to re-deploy resources into developing new / additional activities with a view to attract new clients.

While the logistics sector is vital during the Covid-19 Pandemic, it also has been negatively impacted with overall demand for services declining and the challenge of operating warehousing with fewer staff.

Although the Medtech industry has been at the centre stage during the COVID-19 crisis with incomparable demand for ventilators and other critical medical supplies, it has also been affected by the global dramatic drop in elective medical procedures, many of which are being postponed or cancelled, leading to a significant drop in revenue for these companies.

Academia forecasts an 80% drop in new international students in 2020/21 causing a considerable financial impact and revisions in the leaving cert system may have an impact on CAO college admissions.

There is considerable concern in commercial property sector with retail tenancies and strong evidence of non / reduced payment. Also, the basis of calculation of leases will need review as currently it is based on turnover of previous activity and this is no longer an apt basis for retail.

In residential property the Central Statistics Office (CSO) claim activities in the Irish property sector could contract by as much as 28% in 2020.

Several common recommendations were highlighted as being crucial to facilitate business recovery across all sectors. These recommendations include:

- Continuation of the Wage Subsidy Scheme in certain sectors into Q1 of 2021 and that it would be tapered off on a reducing scale in order to allow businesses the time and opportunity to plan/manage cashflows.
- Clarity on Commercial rates. Rates need to be waived for the period of closure, three months after reopening and only then can businesses begin to see a pathway of paying partial rates. For businesses who have stayed open but have experienced a significant decline in their business there needs to be a rate of proportional reduction, so they are not at a disadvantage.
- In both the Retail and Hotel sectors a reduction in VAT is recommended. Retailers are asking for VAT to be reduced from 23% to 10% for a period of 12 months. This guaranteed period gives certainty around projecting and is a stimulant to cashflow and helping businesses remain solvent. Hotels recommend that the tourism rate of VAT needs to be reduced to ZERO initially with a phased return to 9% at the end of an agreed period.
- Both the Transport, Storage & Logistics and the Advisory sectors recommend tapering off the unemployment support payment of €350 to ordinary social welfare rates, thus incentivising people to return to work.

Introduction

The role of Galway Chamber in the Business Recovery Forum was to coordinate and facilitate sectoral conversations with businesses. This report is an analysis of the present situation facing each sector, the immediate challenges, the short to medium term challenges and the assistance/enablers/grants etc that will be required during the recovery period.

The report will be shared with a wide range of stakeholders and provide the following benefits:

- Remove the reliance on anecdotal information
- Detail will help local authorities and government in their decision-making processes
- This 'stocktake' will be the benchmark allowing us to determine how we are recovering, i.e.: a baseline from which to improve

Retail

The Retail Industry makes a very significant contribution to the Irish economy. According to Retail Excellence Ireland, the industry employs 288,000 workers directly and this figure rises to 400,000 when Indirect employment is considered. In a regional breakdown of figures, 32,500 are employed in the Wholesale and Retail Trade in the West of Ireland

The Irish Retail Industry collects €5.61 billion in VAT receipts for the exchequer and pays €768 million in Corporation tax making it a key component of the economy. It is also an important employer in rural and urban towns and cities around the country. Not only does it add to the vibrancy of their local economy, but it is also an important economic stimulus for regional growth.

Business Recovery Forum Recommendations:

- Extension of the Covid-19 wage subsidy scheme through to Q1, 2021 on a reducing scale basis i.e.: after September reduce % participation from 70% to 50% with further phased reductions. This tapering off will allow businesses plan and manage cashflows and project with some degrees of accuracy around cost base.
- The waiver of rates for the period of business closure plus the first three months after businesses have re-opened. This is to allow businesses the capacity to begin building trade and cash through their business without the rates burden.
- VAT reduction from 23% to 10% for a period of 12 months. This guaranteed period gives certainty around projecting and is a stimulant to cashflow and helping businesses remain solvent.
- A grant-based business stimulus package to enable many businesses to fund reopening costs particularly focusing on investment in PPE equipment, costs incurred while implementing social distancing requirements and staff re-training.
- A relaxation of rules around planning and regulations to enable premises introduce all weather queuing systems to the front of their premises – we want to encourage customers back onto the high streets of our city and towns. In order to do this, they need to have confidence that social distancing measures will be adhered to, that appropriate sanitisation protocols are in place and that they will have an efficient and pleasant customer experience.
- The development of a ‘Galway’ campaign with a number of objectives, principally encourage those working in Galway to shop local and support high street retail and secondly position Galway as the place to come in Ireland focusing on the domestic market.

Hotels

The Hospitality sector is a key component of the Irish economy worth up to €7.6 billion and employing 180,000 people. According to PwC, in the West Region alone, there were 16,700 people employed in this sector. In 2018, the West Region accrued 1.96 million overseas visitors and generated €727 million for the region from overseas visitors. The industry estimates that 85% of hotels nationally are closed. Final data has not yet been determined however, according to PwC, approximately 100,000 people in the hospitality sector has been laid off.

In addition to a 12-month waiver of commercial rates and water charges, a 0% VAT rate for Hotels is the primary concern of The Irish Hoteliers Federations.

There is definite concern that hoteliers not only have to be concerned with national travel restrictions, but also consider the loss of the international tourist market. With remote working and video conferencing proving a feasible alternative for many workers, many hoteliers have doubts over the domestic markets ability to maintain the industry.

Our business recovery forum highlighted that many intend to cancel events through to 2021, including the huge loss of the Wedding market in addition to Graduations, First Holy Communions, Confirmations, Conferences, Gala Balls and Corporate Travel. It also brought up the sentiment that tourism was not being represented at the highest level. The social distancing issue was also raised, that 2-meters was not feasible. Fáilte Ireland, in collaboration with the Irish Hotels Federation, have proposed a set of health and safety guidelines that hoteliers can apply when they welcome back guests. These guidelines include a 1-meter social distance.

Business Recovery Forum Recommendations:

- A national framework of operating standards needs to be agreed across the sector and approved by HSA and industry stakeholders.
- The tourism rate of VAT needs to be reduced to ZERO initially with a phased return to 9% at the end of an agreed period.
- Covid-19 wage subsidy scheme needs to be maintained in Q1, 2021 at present rates with an agreed tapering off into mid-2021.
- Clarity needs to be ascertained around what defines a mass gathering, what levels of numbers in what space and if those numbers are to be amended a proposed timeline of amendments so properties can begin taking bookings for larger events.
- Rates need to be waived for the period of closure, three months after reopening and only then can properties begin to see a pathway of paying partial rates.
- An extension of the deferrals of redundancy payment is needed to year end and at that stage an agreed cofounding mechanism sought with the Dept of Social Protection.
- A continuation of the .5% PRSI payment is vital to protecting cashflow.
- A campaign sought to encourage guests to book directly with the properties as opposed to through online platforms, thus taking a 15%-20% commission out of the rate structure, increasing cashflow.
- Clarity is needed around insurance liabilities, particularly around the 'occupiers liability act' and 'public liability' in a Covid-19 scenario.

ICT

The Irish ICT industry employs 37,000 people and according to Enterprise Ireland the sector accounts for more than €50 billion of exports from Ireland per annum. 9 of the top 10 US Technology companies are based in Ireland, in addition to the top 5 global software companies, the top 3 Global Enterprise Software Companies and 4 of the top 5 IT Services Companies.

Galway is home to 4 out of the top 5 ICT companies in the world – IBM, Oracle, SAP and Cisco

The impact of the COVID-19 pandemic on the ICT sector is varied according to Technology Ireland. While Ireland's technology sector adjusted to the crisis, it still faced many challenges. Entire workforces transferred to home offices, while safe operating methods had to be devised for workers in semiconductor manufacturing sites, data centres and other essential units. Many ICT companies have made significant changes to their own operations and this has already resulted in a lot of them looking at how they will structure work in the future and an increased preference for working from home where possible.

According to Technology Ireland their SME members are the most impacted by COVID-19, in particular medium sized indigenous tech companies. These companies are too large for some of the liquidity measures announced by the Government and require much higher levels of support. The high wage profile of tech sector workers means the wage subsidy scheme is not of much benefit either. This is also a sector where experienced talent and skills are in huge demand and so employers face an increased fight to attract and retain staff.

Business Recovery Forum Findings:

- Some ICT companies have not entered the Covid-19 support scheme yet while others are relying on it for their existence. It depends on the B2B sectors make up their customer base.
- Early stage businesses who had been re-investing cashflow to build product are in difficulty and seeking some combination of grant / debt.
- While there is confidence in larger ICT companies on the present situation there is concern that the impact of a global recession will feed into considerable job losses in the industry in the medium term.

Business Recovery Forum Recommendations:

- Supports will be necessary to manage social distancing procedures in ICT workplaces which are typically set up in agile collaborative formats where teams are bunched in clusters within proximity to each other.
- Many in this sector will be innovating and pivoting – a time sensitive focused “R&D support scheme” needs to be launched to enable this process.

Advisory

Firms located in Ireland provide Financial Services to every major economy in the world. International banks, investment managers, insurers, aircraft leasing operators and an array of other financial firms employ over 42,000 people and contribute €2.3bn each year in taxes. The accountancy profession in Ireland supported 61,200 jobs in 2017. This is made up of around 37,900 people who were employed as in-house accountants across the Irish economy, along with 23,300 individuals were employed in the accounting, bookkeeping, and audit sector in Ireland.

Insurance Ireland represents 130 companies providing insurance domestically in Ireland and internationally from Ireland. Total industry employment is approximately 28,000 people both directly and indirectly with one in four jobs in financial services being in insurance.

The Insurance sector has grown steadily over the past ten years, with total assets amounting to €303 billion at end-June 2017, equivalent to 110 per cent of GDP.

As at 30 June 2019, there were: 20,531 names on the Roll of Solicitors in Ireland. There are more than 11,500 practising at the moment. Last year, there was a positive outlook for Irish law firms: revenues continued to improve in most firms in 2019, with 43% showing revenue growth in excess of 10%. Profits also continued to improve in most firms, particularly at the top end.

Business Recovery Forum Findings:

- Transaction based work has collapsed – thus firms are having to re-deploy resources into developing new / additional activities, e.g.: webinars, pro-bono industry engagement with a view that new clientele will be sourced.
- Concern mounting about the number of deferrals taking place and the impact that will have on business affordability / cashflows in 2021.

Business Recovery Forum Recommendations:

- Continuation of the Covid-19 wage subsidy scheme at present level for a two-month extended period with an agreed tapering off to allow industry to plan / manage cashflows.
- Deploy a re-boot / reopening scheme calculated on the basis of the number of employees held as opposed to on the basis of rates. Employees gives a true measure of inputs/ outputs and cost base as opposed to crude square footage measurement.
- Taper off the unemployment support payment of €350 to ordinary social welfare rates, thus incentivising people to return to work.
- Government will need to follow an expansionary policy, borrow billions, stimulate economic activity, move capital projects ahead and invest considerably. We have learned from the last recession cuts are not the way to go.
- Government support should come in the form of a hybrid scheme of 50% grant / 50% repayable debt based on achievement of certain KPI's to be administered through the banks who have the most amount of information and the best relationships with businesses anyways.

Transport, Storage & Logistics

Some 95,200 people were employed in Ireland in Transportation and Storage in Q4 2017, with 50,600 of these in land transport, CSO figures show. A more detailed Census breakdown for 2016 shows there were over 10,000 in taxi operation, 10,600 in other land passenger transport, 14,900 in road freight, 1,800 in water transport, and 8,200 in air transport.

According to the Freight Transport Association Ireland (FTAI) Covid-19 Impact Survey shows that 71% of logistics businesses have seen a drop in revenue since the start of the pandemic. While the logistics sector is essential during the pandemic – it is responsible for keeping supermarket shelves stocked and ensuring essential PPE and medical supplies are being delivered – overall demand for services is declining and negatively impacted.

The survey, which took place between 30 March and 12 April 2020, shows the pandemic has impacted logistics businesses negatively in a variety of ways, including their ability to undertake business planning, source supplies and the availability of staff.

Business Recovery Forum Findings:

- Clarity sought on the Revenue warehousing specifically for this sector.
- At present there is no VAT on transport, meaning operators cannot reclaim VAT on the inputs. This leaves them at a considerable disadvantage.
- Warehousing of utility liabilities for an agreed period with a backup mechanism to support those providers.

Business Recovery Forum Recommendations:

- Covid-19 wage subsidy scheme to be extended into Q1, 2021.

- Considerable subsidies will need to be provided to bus companies to help finance leases / fixed costs and co-fund the loss-making journeys they will have to undertake.
- The rates revaluation process to be revisited. Rates calculations were based on Q3 2019 rentals, that is no longer an appropriate measure given the impact of Covid-19.
- Reduction sought in the rate of payment of the Covid-19 unemployment benefit to encourage workers to return to industry.
- Support for training necessary to retrain staff in the passenger industry particularly and an agreement around what standards / accreditation such should be set to.
- Licenced scheduled services operators are looking for the rebate of the fuel duty. This will make a significant impact on this industry.

Medtech

The Medtech sector employs over 40,000 people in Ireland and is the second largest employer of Medtech professionals in Europe, per capita. Ireland is one of the largest exporters of medical products in Europe with annual exports of €12.6 billion and companies here directly export to over 100 countries worldwide. As many as 9 of the world's top 10 medical technology companies have a base in Ireland and 60% of the 450 Medtech companies based here are indigenous

Galway is a vibrant hub of medical technology start-ups, multinationals and research centres that employs over 8,000 people. The west now accounts for 39% of the regional distribution of medical device employees in Ireland. Eight of the world's top ten Medtech companies are based in Galway. In fact, 80% of the world's stents are produced in Galway.

A global survey ranks Ireland among the top countries in the world for producing innovative solutions to the current crisis. Ireland has come sixth in a global ranking of those responding best in terms of innovation to the pandemic. Ireland's top-ranking position reflects the fact that within weeks of the World Health Organisation declaring the pandemic, on 11th March, more than 100 Enterprise Ireland's companies had responded with innovative solutions.

As a result, Ireland is one of just a few in the Top 20 country ranking which is singled out by the report's authors for "over-performing in COVID-related innovation".

The Medtech industry is also being affected by the global dramatic drop in elective medical procedures, many of which are being postponed or cancelled so that hospitals could focus their resources on treating COVID-19 patients. McKinsey & Co projects a 60–80 percent decline in elective procedures in the second quarter of 2020 for Europe and the United States, with an additional 40–50 percent decline in the third quarter.

Business Recovery Forum Recommendations:

- Covid-19 wage subsidy scheme to be extended and clarity to be provided on timelines around tapering off to enable cashflow management, particularly in some employers in this space who have hundreds, if not thousands of staff.

Academic

According to The Western Development Commission, the academic sector accounts for 10.2% of jobs in Galway - the second highest shares working in Education in the country. 25% of Galway City's population are students in third-level education. There are over 11,000 people employed within this sector in Galway. NUI Galway has almost 17,000 students with 2,000 employees. GMIT has approximately 7,000 students with 600 employees.

Universities have access to and are supported by public sector purse, this has lessened the direct employee impact.

Even before the pandemic, the sector was losing ground on its competitors. Underfunding has been compromising the quality of our system as well as the student experience, according to The Irish Times.

The sector was also facing a timebomb of increased student numbers at home, with an additional 36,000 expected over the next decade. The Covid-19 crisis only serves to underscore the urgency of dealing with these problems.

Universities can make a compelling case for additional core funding. Jobless numbers are growing rapidly, and we will need ambitious plans to reskill the workforce. With appropriate support, higher education has the potential to be part of the solution by upskilling workers and meeting emerging skills gaps. It can also play a key role in developing the knowledge and skills base of the country and fuelling economic growth by supporting job creation.

Business Recovery Forum Findings:

- There will be an 80% drop in new international students in 2020/21 causing a considerable financial impact.
- Considerable concern regarding research funding and attracting international researchers in this time.
- Revisions in the leaving cert system may have an impact on CAO college admissions and the recognised status of universities regarding league tables etc.

Business Recovery Forum Recommendations:

- Universities are calling government for a ringfenced fund to support a marketing drive abroad to recruit international students who are impacted by the COVID-19 travel restrictions.

Property Commercial

According to SCSi, commercial property (office) rental growths are expected to increase by 2% in 2020 in Connacht. This is the largest expected increase in Ireland.

According to CRBE, there was a strong carryover of transactional activity from late 2019 with several occupier and investment transactions carried forward into Q1 2020. Occupier demand was strong, vacancy low, and rents and yields were broadly stable.

Meanwhile, new supply was being delivered to the market on a controlled basis and it was clear that the main challenge for the new administration was increasing the imbalance between supply and demand in the residential sector of the market. CBRE expects COVID-19 to have a negative short-to-medium-term effect on the commercial real estate market in Ireland, provided the outbreak is brought under control in a reasonable timeframe.

Business Recovery Forum Findings:

- Covid-19 wage subsidy scheme extension is critical to allow retention of key staff, despite same this industry has seen considerable lay-offs.
- Valuation instructions are not coming in, concerning for the short-term activity / predictions.
- Pause has been pressed on the majority of large-scale transactions for now and there is growing concern for the appetite for new projects.
- Retail transactions have stopped. Considerable concern with retail tenancies and strong evidence of non / reduced payment.
- The basis of calculation of leases will need review as based on turnover of previous activity, no longer an apt basis for retail.
- Significant uncertainty in student accommodation both in close out 2019/20 academic year and 2020/21 year ahead.

Business Forum Recovery Recommendations:

- Rates waiver for closed businesses and partial waiver for those who remained trading but were significantly impacted.
- Greater clarity is needed on the Revenue re-housing scheme, its operation and the implications for business.
- An allowable renegotiation needs to be facilitated on commercial contracts that run over deadlines and a waiver of penalties needs to be permitted.

Property Residential

The Construction Industry Federation has warned that Covid-19 safety measures could add 5-10% to the cost of a house. Sherry Fitzgerald expects a nervousness from buyers but added that the demand factor will maintain prices, rather than an appreciation or depreciation.

Several estate agents have attempted to adapt to remote working arrangements and virtual viewings to keep the sector functioning. However, even with these creative solutions, the Central Statistics Office (CSO) claim activities in the Irish property sector could contract by as much as 28% in 2020.

According to a Daft.ie report, Covid-19 represents an extraordinary shock to housing demand, and we should expect to see significant falls in housing prices – both sale and rental – as the economic effects unwind.

The scale of the decline in prices is unclear at this point but will depend on several factors. These include the extent of disruption, the speed of recovery and the impact on numbers employed, average incomes and whether the Republic's ability to attract foreign direct investment is adversely affected.

The number of properties available to buy across the Ireland was just under 19,900 in March, down almost 12% year on year. This was the first time since late 2006 that fewer than 20,000 homes were on the market and marks the seventh consecutive month where stock on the market has fallen. Availability had improved over the previous year and a half.

Business Recovery Forum Recommendations:

- Covid-19 wage subsidy continuation is critical with an agreed tapering off after three months.
- Support sought to develop online auction room capability.
- Swift reopening of the property registration authority and simplification of their processes to enable swifter and timely transacting.
- Enable valuations to take place so that bank 'approvals in principal' can be drawn.
- The authorisation to conduct physical viewings needs to be in place by June 08th as these are essential to people contracting despite all that can be done online, perspective purchasers want to see the property.
- Continued investment in broadband to enable people work from home more, particularly in regional locations.

Non-Food Tourism

The Irish tourism industry earned an estimated €9.3 billion in 2019, according to the Irish Tourist Industry Confederation (ITIC). 9.7 million overseas tourists spent close to €5.2 billion in the country, plus an estimated €1.75 billion by visitors in fares paid to Irish air and sea carriers. The tourism and hospitality industry provides employment for an estimated 265,000 people throughout the country according to the 2019 Q3 CSCO data.

Galway was in recent years voted 'World's Friendliest City' by US Travel + Leisure magazine, was dubbed one of Ireland's "most engaging" cities by the Lonely Planet, and was rated by iReach Insights as the most popular county for Irish people to go on holidays in 2018. Our hospitality, friendliness and upbeat energy have made us one of the top visitor destinations this side of the world.

In Galway, pre-COVID-19, the tourism sector supported 20,900 jobs and generated €910 million in local revenues, according to the Galway Branch of the Irish Hotels Federation.

A new report from NUI Galway's Socio-Economic Marine Research Unit (SEMURU) suggests that Ireland's domestic coastal and marine tourism activity could play a significant role in rebooting the sector as the Covid-19 restrictions begin to ease off.

According to the findings in the report, the average expenditure per coastal day trip in 2018 was €95, with the equivalent for coastal overnight trips being €310.

Total expenditure by domestic tourists in coastal areas was estimated to be €698 million in 2018, which represents 35 per cent of the total expenditure by domestic tourists that year.

Business Recovery Forum Findings:

- This sector is projecting a 90% on average collapse in business activity for 2020.
- Exceptional grants are being sought to support this sector. If you borrow, you will be borrowing to make losses to further debilitate your ability to repay the debt.
- Many businesses had building/expansionary projects / developments underway onsite, those have stalled, and many are concerned the ability to finance the completion of same will be compromised.
- Many visitors in this sector travel by public transport / coach travel. That capacity is reduced to a point of non-viability, thus even if they wanted to numbers cannot travel.
- For those businesses driven by events there is no certainty around what a 2021 calendar looks like.
- 90% collapse in revenue / bookings for 2020, considerable uncertainty for 2021.

Business Recovery Forum Recommendations:

- The continuation of the Covid-19 wage subsidy to Q1 2021 at this level of participation is imperative with a tapering off on a scaled basis thereafter.