



**Dungarvan &
West Waterford
Chamber**
Advancing business together

Budget 2022 Dungarvan & West Waterford Chamber Submission

The Dungarvan & West Waterford Supports Chambers Ireland Budget Submission (link listed) and wishes to offer an individual submission also

<https://www.chambers.ie/wp-content/uploads/2021/07/Chambers-Ireland-Pre-Budget-Submission-for-2022.pdf>

Support Local through Public Procurement

The Chamber encourages a stronger mechanism be put in place to support local businesses

- One such measure would be to break down larger scale projects into sectors within that project. This would allow more local businesses to be in a position to tender for local work and therefore would support local employment & the economy and in turn local rate payers under public procurement rules. Through eTenders there is opportunity for smaller companies to work as a consortium for any tender. The eTenders system is the only way to win tenders.
- Chamber is asking for more leeway within the public procurement scheme, such as an increase in the current €5,000 allowance that dictates what discretion the council have on spending in tandem with a commitment to support local.

Trading Online Supports

- Expansion of Online Trading Vouchers through Local Enterprise Offices and broaden the criteria through which they can be applied against. Websites are not the entirety of how a business trade online, yet the Trading Online Scheme focusses on websites and sales platforms that sit in websites. Much trade is done through social media platforms. Recognition of this briskly changing environment and options would allow businesses explore to options more suited to their client use preferences

- Support investment into websites for businesses who trade fully or partially online or but who do not fit the Enterprise Ireland grant criteria. This would support businesses who have an online presence, but now know they must invest to ensure the sustainability and effectiveness of the service and technology they are using.
- Training in Social Media Content Creation – (not funding for consultancy) – bespoke training for businesses that would support their online activity and could be attained through the Online Trading Vouchers
- Offer a Business Transition Voucher or a Business Sustainability Voucher acknowledging how businesses have had to pivot to stay relevant during Covid 19, how they can capitalise on this and make further progression.

Vouchers & the Local Economy

The D&WW Chamber is advocating that the threshold for gift voucher bonuses from employer to employee be increased from €500 to €1000 and be available across at least 2 payments over 12 months.

Currently one payment from employers to employees via a voucher of up to €500 is the limit. This is restrictive for several reasons:

- Some employers are in a position to issue bonuses twice a year (e.g. Christmas and summer bonus) but were unable to do so, or the employee had to accept one taxed bonus if allocated twice yearly bonus.
- Some employers could offer e.g. a small bonus at Christmas and then, if profitable, could add to this at another stage in the year. Even when the total value was less than €500, if one payment was made, it nullified any further tax-free payments in that calendar year.

Social Welfare

There is a disparity between people on the live register 'available for work,' and employers recruiting staff. There should not be such a gap, except where highly skilled staff are required. Often there are barriers around returning to work in the form of for example childcare, losing medical allowances, losing other benefits outside of the actual direct social welfare payments. Incentivising people back to work would make it easier for employers to attract people to vacant positions.

- Restructure of social welfare, making the system more user friendly to people claiming benefit being allowed to work.

Removal of X & O's. Replacing this with an hourly work week quota instead of marking off entire days if only a couple of hours work was availed of.

This would not deter people from working odd hours or half days, it would not mean a drop of an entire day rate on social welfare.

- Supporting low-middle income earners should be a priority of Government in social welfare discussion and reform. Sometimes there is not enough difference to really incentivise people to work in a lot of areas, particularly in lower paid jobs. This must be addressed
- The D&WW Chamber encourages the elimination of the Pandemic Unemployment Payment where sectors have opened since July 2021.

One point of contact for Employment Incentives, Apprenticeships, and Internships.

Currently a quagmire exists in relation to employment incentives, internships, apprenticeships, and in relation to job seeker supports.

- D&WW Chamber advocates for one point of contact for businesses in relation to help with employment incentives, internships, support with training & apprenticeships, also to find staff, matching people on the love register/ or benefits to positions available. Currently there is overwhelm and confusion as there are so many organisations involved including many ETB departments / Dept Social Protection/ Local Employment Services etc. There is overlap between offerings and the offerings are difficult to navigate. A simplified image of offerings with one point of contact who can direct employers to the most appropriate organisation/ agency/ resource would make a more meaningful impact.

Lowering VRT on Motor Vehicles

The motor trade has been hit hard this year with huge supply issues on top of increased taxes because of Brexit and also increases in VRT / NOx that were both raised the past two years. The combined effect of both of these has seen the cost of used cars increase approx. 30% this year. The shortage in new cars available in UK is also pushing up used prices. While the Import Duty / VAT imposed after Brexit is unavoidable due to EU law and the trade agreement. The VRT is very much in the Government's hands.

- Lowering VRT, at the very least in the short term, until the worldwide shortage of new cars levels out a bit. A lot of cars are now impossible to import or to make any margin on therefore it is impacting supply and price.

Housing Challenge

The Central Bank of Ireland (CBI) introduced lending criteria many years ago that are well documented (eg 3.5 times gross salary cap on mortgages, 80% LTV max etc). The parameters and environment at the time are very different to the current situation.

The CBI rules were designed to stop reckless lending and borrowing. This mainly related to investors with multiple properties. These have largely been dealt with at this stage, through NAMA, Receiverships etc. However, the rules also applied to middle income earners looking to buy a home. Many of these are today paying far more in rent than they would need to finance a mortgage each month – especially in Dublin but elsewhere too. However, the banks cannot offer mortgages based on what the middle-income earners can actually afford to pay, but instead based on CBI rules.

The knock-on effect is that developers are reluctant to build houses for the middle-income earners, making this housing crisis extremely worrying and challenging for many reasons.

- The D&WW Chamber asks that rules for lending criteria are amended for middle income earners looking to buy and set up a long-term home. (The CBI rules applying to mortgage lending for landlords and investors are not part of our request.)

Home Renovation Incentive Scheme

- D&WW Chamber advocates a change to the HRI Scheme to include goods that currently are not acceptable is suggested. This would have a positive effect on a variety of sectors that see no benefit from the scheme as is and would possibly be a lifeline to anybody trying to improve or finish a project. Currently the scheme does not allow for the individual to claim for most of the home renovation products or tangible items. For example, You can claim 13.5% for labour costs of a painter, but not for the paint. If the HRI Scheme were to offer goods that are listed under the current 'Not Allowed' list to be claimed, it might help. This would open the scheme up to items such as carpets, furniture, particular appliances, paint, and professional services such as Architect's Fees t?