

Cork Chamber COVID-19 SURVEY

March 18-22
2020



Fitzgerald House,
Summerhill North,
Cork, T23 TD90.

The following survey results serve to quantify and highlight the impacts of COVID-19 on business in Cork. They represent the perspective of the business community collected between 18-22 March at a time of widespread economic, business and societal uncertainty and rapidly evolving Government policy. They serve to inform advocacy on behalf of the Cork business community, to inform Government on next steps and areas of focus in the evolution of their approach to supporting business.

The swift response of the Irish government to the initial economic shock from the Covid-19 pandemic must continue to be strengthened. The priority throughout this period is our public health services and the functioning and support of our health personnel and must remain so. Though we must also look ahead now and mitigate the worst effects of the pandemic across society and the economy as we move through this crisis and beyond. It is imperative that the robustness of our economic measures are strengthened and evolved to support businesses, employment, jobs, families and communities. If we fail to take the appropriate action now, we will face the full impact of an economic crisis as we come through our public health crisis.

In the Cork Chamber COVID-19 Business Impacts survey to the Cork business community last week, we clearly see the shock to revenue and cashflow across all sectors is stark with over 70% of respondents reporting an immediate impact, and over 50% reporting staff reductions, layoffs and reduced working hours. For the medium to longer term impacts we forecast continued reduction to revenue and cashflow, with over 70% of respondents highlighting the expected impacts in earning potential, and a move from 50% to 60% of respondents predicting staff reductions, layoffs and reduced working hours.

In terms of supports, there is strong approval for the swift action from Government in their immediate

response, with 78% of respondents adding support to maintain these measures, though with feedback from business highlighting the need for the robustness to match the situation as it evolves. There is also strong support at 75% for the deferral of VAT and payroll tax, followed by strong support for a moratorium on commercial rates. The call from the Cork business community is clear, with the impacts moving far beyond the retail, hospitality, leisure and childcare sectors, the worst hit sectors initially.

Employment must be protected and Government movement on this is welcome. The new Government wage subsidy scheme, comparable to the UK and Denmark is essential to create a proactive dynamic in the economy. It is essential to support the employer to keep staff employed or we would face an uphill struggle on the other side of this pandemic. We must continue to improve the position of the self-employed, taking every action available on their behalf. We need to protect the employees and their families with effective rent subsidies, and deferred loan and mortgage repayments.

In the short-term, measures to help impacted businesses to keep people in employment and those that have closed to be able to reopen are critical. People and businesses want to work. Cash flow measures, VAT, PRSI, commercial rates, rent, mortgages and loan repayments

all need to effectively be underwritten by government for a minimum of six months. We need continued assistance for those out of work through enhanced supports and expanded timeframes to maintain income levels and economic spending power.

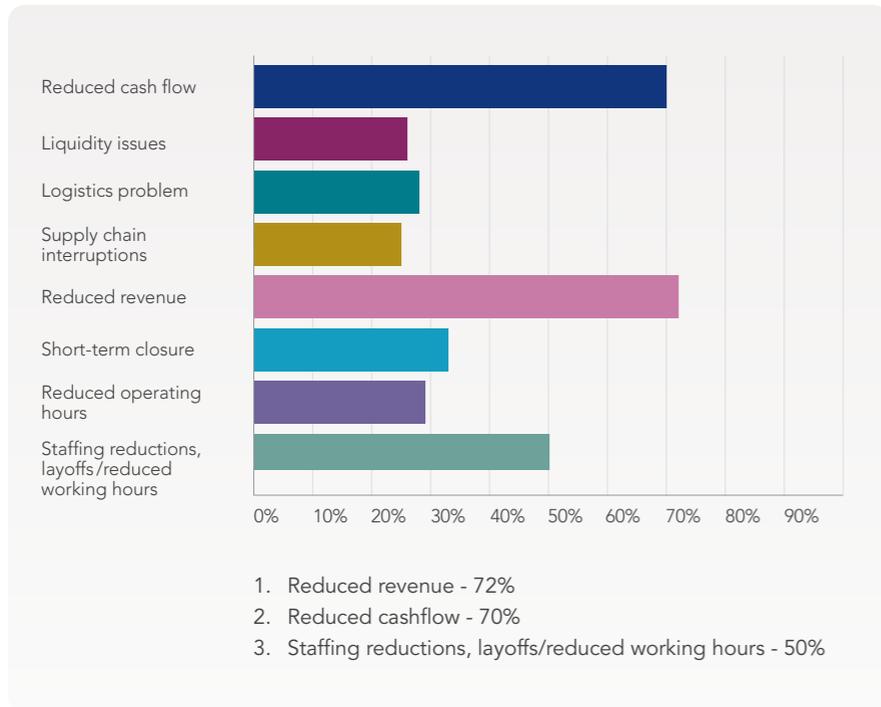
In the medium term we must stimulate the economy via capital investment. We must keep the National Development Plan projects moving forward to ensure the construction sector remains ready for the challenges of housing and infrastructural delivery as the economy recovers. Stalling investment will be more costly in the long-run and must be avoided. We cannot afford to let this sector falter as the last downturn or we will compound societal and economic issues all the more.

The experience of the past week is now quantified, capturing a moment in time as things evolve apace. The voice of the Cork business community is loud and clear. We are physically apart but we stand together. We are here representing you, ensuring that the corrective actions that you prioritise are those that are prioritised by Government.

Please be in touch.

Conor Healy
CEO, Cork Chamber
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How is your business being impacted now by the Covid-19 outbreak?



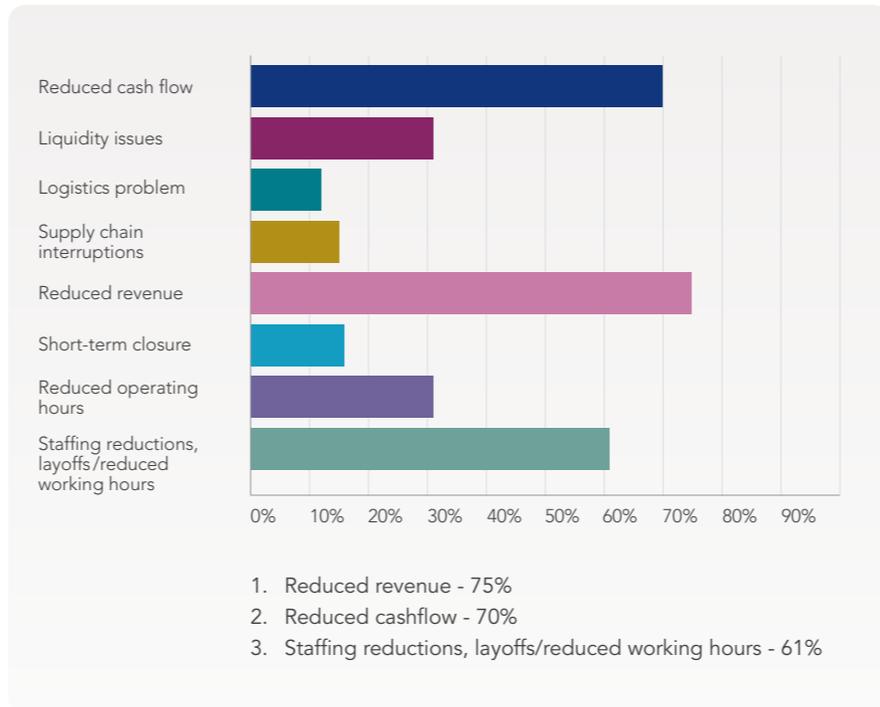
You Said...

"Teams being impacted in so many different ways, some working remotely others trying to keep supply available and others again finding themselves without tasks."

"We have enough work to keep us busy until the 20th March..."

"We have received no orders by phone or email this week..."

What do you anticipate as the medium to longer term impacts to your business?



You Said...

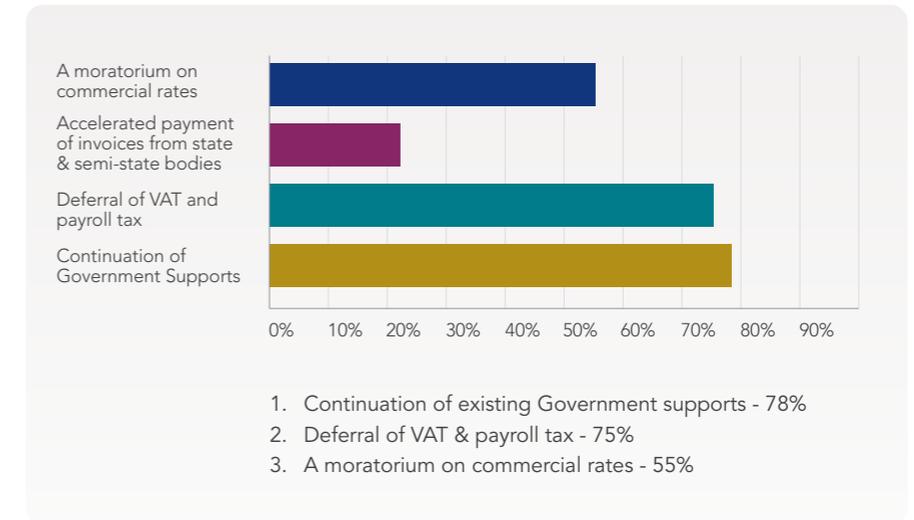
"Loss of brand leader position, increased marketing costs to get off the ground again, cost to reopen, community reputation, low staff morale, 8 years of hard work down the drain."

"Expansion on HOLD."

"Reopening at reduced level of business."

"Continued working from home disruptions, delay with starting new hires, team morale, communication issues."

What actions do you need to see Government undertake to help your business address these impacts?



You Said...

"Cancellation of USC for self-employed and cancellation of VAT due. Banks instead of deferring mortgages should actually just cancel 3 months payments as self-employed financed the banks during the financial crisis."

"Subsidise wages as the rest of Europe is doing to retain gainful employment."

"Contribution to staff salaries for those who continue to work."

"More straight forward applications for loan and mortgage moratorium."

"Commercial rates should not be charged for 2020."

"Business Interruption cover paid for and in our insurance policy but broker saying the economic impact of insurance companies paying out may be too great so claims should be directed to government (!) Isn't this what insurance is for?"