

‘Statements on COVID-19 and New Measures’ - speech by Tánaiste Leo Varadkar in Seanad Éireann

From [Department of Enterprise, Trade and Employment](#)

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Thank you for the opportunity to speak today on COVID-19 and the recently announced new restrictions.

This is my second time to address the 26th Seanad and I am pleased to do so. When I spoke here in April we were just reopening the economy after a very difficult start to the year after the Alpha wave.

I said, at the time, that we wanted to avoid a fourth wave later in 2021 and that, this time, we wanted to see construction, retail, hospitality and tourism reopen and stay open.

Eight months on, the picture of progress is mixed. Despite a successful vaccination programme and what seemed like a gradual normalisation of society, the virus is very much still with us and we are now experiencing a serious fourth wave.

The new restrictions announced on Friday were a bitter disappointment to all of us. They were a body blow in particular for sectors like hospitality, arts, events entertainment and leisure.

For the first time in the pandemic, we are tightening restrictions when the epidemiological situation is improving – when numbers in hospital and ICU

appear to have peaked and are falling and deaths are at a relatively low level, thankfully. We are out-performing the most optimistic models presented to us a few weeks ago. This is due to the success of the third dose vaccine programme, a robust test and isolate programme as well as NPI's like masks.

But we are doing so the basis of strong public health advice and three concerns in particular:

- the likelihood of increased social mixing as we approach Christmas
- a flu season, which we didn't experience last year, but may this year
- uncertainty about the Omicron variant

The public continues to play a really positive role in the fight against COVID-19, embracing the vaccination programme and responding to public health advice.

That resolve will be crucial in getting through the winter ahead.

Since the outbreak of COVID-19 here in March 2020, the government has sought to save as many lives and livelihoods as possible. The evidence indicates that we are doing well on both counts. Our number of deaths per million is among the lowest in the EU, while our vaccination rate is among the highest. We have sought to keep workers connected to their employers and on the payroll and help businesses survive through a robust and sustained programme of financial assistance from government.

The Department of Finance estimates we will have spent €48 billion helping businesses and workers by the end of 2022. This is the largest intervention by the State since the bank guarantee and a much better one.

The main schemes such as EWSS, CRSS and the PUP compare very well internationally. We have extended these schemes well beyond their original end dates and we will continue to provide assistance where and when it is needed.

This was evident on Friday when we announced a package of financial interventions for the hospitality, entertainment and events sectors.

The package includes:

- an enhanced CRSS scheme for the affected sectors to supplement existing EWSS payments

- extension of the targeted commercial rates waiver until the end of March
- an extra €25 million from the Covid Contingency Fund for the live entertainment sector

The Pandemic Unemployment Payment will also reopen for workers who lose their jobs as a result of the new restrictions.

As I said, the government will step in to assist where and when it is necessary, but we must do so in a targeted way.

Some parts of the economy, indeed the economy in the round is performing extremely well and it's our responsibility to help those sectors which are not. We can afford to do so. We cannot afford not to.

From the Department of Enterprise, Trade and Employment's perspective, over 100,000 Restart Grants were paid out to businesses last year. Where existing schemes did not reach certain businesses, we filled the gaps with ad-hoc programmes such as the Small Business Assistance Scheme for COVID (SBASC) and the Events Sector Covid Support Scheme. Other departments acted similarly with special schemes for transport, aviation, the arts and sport among others.

Although they are not as well-known, Enterprise Ireland, IDA Ireland, InterTrade Ireland, Udaras na Gaeltachta and our Local Enterprise Offices have all provided funding to businesses since March 2020.

For example, the Sustaining Enterprise Fund has approved €206 million in non-repayable grants and loans, helping to sustain around 30,000 jobs in businesses ranging from engineering, to construction, to food and consumer-retail.

We introduced a range of new loans to help businesses respond to COVID-19 and Brexit.

For example, 7,700 loans have been drawn down under the State's largest ever loan facility, the COVID-19 Credit Guarantee Scheme. We are extending this scheme for at least another six months by way of amendment to the Social Welfare Bill, due to be enacted this month. I am sure the Seanad will support this.

The department is now carrying out a review of the popular and oversubscribed Future Growth Loan Scheme with a view to a new loan product to replace it in 2022.

Many predicted a 'tsunami' of business closures when the pandemic first hit in early 2020. Thankfully, that hasn't transpired yet. In the meantime, we have reformed the law in this area to help as many businesses as possible to survive.

So, earlier today I signed the order commencing the new SCARP legislation – i.e. the Small Companies Administrative Rescue Process. I thank Minister Troy for spearheading this initiative and the Senators present for their speedy consideration of the Bill earlier this year.

From today, small and micro companies have access to a new restructuring and rescue process mirroring examinership but in an administrative form. It is designed to be cheaper and faster than court sponsored examinership and, taken together with the range of grants and loans available, should save viable businesses and jobs that might otherwise have been lost.

When the government published the Economic Recovery Plan in June, I said that we were going for growth and backing business to ensure our economy could recover lost ground quickly and exceed pre-crisis employment levels by 2024.

Five months on, that strategy is working. The economy is rebounding strongly. Employment figures released last week show that over 110,000 people returned to work in the third quarter of this year. Encouragingly, employment is up across every sector & every region.

A smooth recovery is certainly not guaranteed and Friday's announcement is a reminder of that. It is a set-back.

The Economic Recovery Plan is not just about recovery, it's also about the future, enabling workers and businesses to make the green and digital transition.

Later this week I plan to launch the Climate Toolkit 4 Business with my colleague Minister Eamon Ryan, providing businesses with a tailored assessment of their carbon footprint. This complements initiatives such as the new 'Green for Micro' scheme and the 'LEAN for Micro' scheme, which benefit

businesses through cost savings, improving resource efficiency, reducing environmental impacts and enhancing competitiveness and productivity.

We will be doing our best to help businesses adapt and plan for the next decade – especially the digital transition. This will include a new €10m Digital Transition Fund to increase digitalisation of all businesses across products, processes, supply chains and business models and initiatives to help upskill workers.

The Economic Recovery Plan is also about building a more inclusive economy, with fewer barriers to employment and better conditions for workers.

We have already seen the benefits of remote and flexible working. It opens up a range of possibilities for rural Ireland, less commuting and fewer barriers to employment particularly for people with caring responsibility and people with disabilities.

In the near future, I will be publishing draft legislation on the Right to Request Remote Work. This complements the work already done under our National Remote Work Strategy, such as the Code of Practice on the Right to Disconnect.

The legislation on the Right to Request Remote Work has taken longer than we thought. There is good reason for this. New rights are being created for the first time in Ireland and our extensive stakeholder consultation has illustrated the breadth of issues on which we must strike a delicate balance.

The House is aware of the actions I am taking to improve workers' terms and conditions, including statutory sick pay, the move to a living wage, the protection of tips and a review of collective bargaining and the industrial relations landscape in Ireland.

At the moment, we are finalising legislation giving effect to Ireland's first Statutory Sick Pay Scheme. The Oireachtas Committee's pre-legislative scrutiny report is awaited and we will progress the Bill once received.

Earlier this year I asked the Low Pay Commission to examine how Ireland could move towards a living wage and to make recommendations on the best approach. I am still awaiting that report and hope to bring proposals to Cabinet in the New Year.

In October I received government approval for draft legislation to protect employees' tips and give customers transparency. We should be able to enact that legislation in the first half of next year.

I do not have time to mention all of the reforms we are pursuing in the department and across Government but I am confident it will lead to a substantial improvement in the terms and conditions of workers, without damaging business or the wider competitiveness of the economy.

I'm conscious that a lot of businesses are still struggling and some will be struggling for some time to come. So, we will sequence these reforms appropriately over the next few years. The most important workers' right is the right to work and I don't want to do anything that might cause businesses to fail or workers to have their hours cut or lose their jobs.

I look forward to hearing Senators' contributions and to responding to your questions.