

## PRESS RELEASE

Thursday, 23<sup>rd</sup> July 2020

### **Some positives in July stimulus but not strong enough to stabilise SME sector**

[SME Recovery Ireland](#) have welcomed some elements in the July stimulus announced by Government today (23.07.20) but described the overall package as lacking in scale and ambition and a missed opportunity to pump much needed confidence back into Ireland's ailing SME sector.

Commenting, Chair of SME Recovery Ireland, John Moran said: "There are many elements of the stimulus package which will help the recovery and we welcome those. We acknowledge that the stimulus incorporates some calls that SME Recovery Ireland has been putting forward in recent weeks. It has recognised the key role SME's will play in the recovery and the need to protect them in as far as it includes a more robust grant scheme, an extended wage subsidy scheme and additional powers for the SBCI.

"However, against the scale of the losses indicated for micro and small businesses in our latest 'Covid-19 loss assessment survey', the measures announced today simply do not go far enough to prevent firms from folding. A legacy of unpaid bills, liquidation sales and boarded up shop fronts in towns and villages across the country remains a real reality, while people dependent on unemployment payments face little hope of finding a new job."

Mr Moran added: "While in Brussels last weekend, Taoiseach Michael Martin was clear that pouring debt on debt was not the way out of this when speaking about Ireland's position on aid to countries in need of help. We say that our SMEs are just like the EU countries in the frontline of the pandemic. Just like them they need targeted grant aid without lots of measured conditions allowing them to pay their accumulated bills and recover quickly from their losses."

"The weeks ahead are likely to show further closures that could have been avoided today. Being too frugal at this critical stage is a mistake – we must not be penny wise and pound foolish. If this plan does not permit the SME sector is to get back on its feet and drive the reboot of Ireland's economy, the stimulus must then act as the platform to ensure that the National Economic Recovery Plan due to be published in a couple of months with Budget 2021, does more to provide compensation to small businesses for the losses incurred while forced to close. It must also provide a further boost in consumer demand to ensure a customer base exists for the small businesses that make it through this challenging period. The longer we wait to fix the problem, the bigger the bill to fix it will be"

For further information on SME Recovery Ireland, visit: [www.smerecovery.ie](http://www.smerecovery.ie).

**ENDS**

**Media contact:**

David O'Donnell, Tel: 086-1081139 / 01-5880866 / [david.odonnell@instinctif.com](mailto:david.odonnell@instinctif.com).

**Notes to editors:**

- Chair of SME Recovery Ireland, John Moran is available for interview upon request.
- SME Recovery Ireland's July Covid-19 loss assessment survey results for small and micro businesses are available to download [here](#).
- SME Recovery Ireland's National Small Business Recovery Plan is available to download [here](#).
- Follow SME Recovery Ireland on social media:

- Twitter: [@SMERecoveryIrl](https://twitter.com/SMERecoveryIrl)

### **About SME Recovery Ireland**

SME Recovery Ireland is an umbrella platform established by business representative groups and small business owners to develop and advocate for a recovery plan for the small business sector for implementation as part of the Government's Covid-19 National Recovery Plan. The National Small Business Recovery Plan published by SME Recovery Ireland is a dynamic plan that allows us to continue to identify policies and interventions that will help a broad population of SME's. The plan focuses on key generally applicable principles and corresponding key policy interventions that are required to stabilise and recapitalise the small business sector so that employment and economic activity can be restored. More detailed sector specific matters will continue to be identified and advocated for by sectoral representative groups.