



Northern Ireland  
Assembly

Committee for the Economy

# OFFICIAL REPORT (Hansard)

Economic Impact of COVID-19 (Coronavirus):  
Mrs Diane Dodds MLA, Minister for the Economy

20 May 2020



can as quickly as we can and within the limits of the budget that is available to us. As of yesterday, 21,172 payments of £10,000 had been issued to small businesses. A further 2,065 grants have been issued to businesses in the retail, tourism, leisure and hospitality sectors that applied for the £25,000 scheme. If more money becomes available, we will seek to help more businesses and fill in the gaps that remain. The grant funding is making a real difference. It helps companies to survive right now, plan ahead and keep alive their hopes of a bright future at the other side of the fight against the virus.

Alongside the grant schemes, rate relief, the bank lending scheme, the job retention scheme and support for the self-employed have also been essential. It is positive news that the Chancellor will extend the furlough scheme until the end of October. That will allow companies to keep staff in work while they plan ahead. The scheme is central to efforts to minimise the long-term damage to the economy. I know that we will not save every job, but we are working hard to save as many as we can.

It is essential to start work on the recovery phase. That is where much of my work has been focused since my last appearance before the Committee. I know that you received a briefing from the Belfast, Londonderry, Newry and Causeway Chambers of Commerce and that they highlighted the impact on tourism. Just last year, tourism was a £1 billion industry employing 65,000 people. It will not be the same on the other side of the crisis, but we must look to new opportunities. I have set up the tourism recovery working group, and I chair the steering group comprising key sectors and stakeholders. There is an obvious determination among all involved to work together to bring about recovery. I am also re-establishing the economic advisory group that advised my predecessors. It will provide expert advice on our economic strategy as well as our recovery. It will also help us to identify global market opportunities and ensure that we understand the sectors to focus on and build on our world-class reputation in areas such as cybersecurity, fintech and digital start-ups.

Yesterday, I was delighted to announce 65 new jobs with a cybersecurity business investing in Belfast. I will divert from my statement. I spoke to the company yesterday. It was the strangest job announcement that I have ever made, via Zoom: some folk were in Boston, I was at home and others were in the Department and Invest NI. The company cited two critical issues for its investment in Northern Ireland: the quality and talent of the people; and the master's degree in cybersecurity that is offered by our universities. Clearly, investing in skills and people will be key to economic recovery.

In that context, I have been tasked by the Executive to set out more detail on the steps that we have been taking to get our economy moving again in time for the next lockdown review by the Executive on 28 May. The longer we face into damaging economic impacts, the greater the risk of long-term scarring of our economy and society. Conversely, the more of the economy that we can restart safely and the more that we can adjust to the new normal now, the less likely it is that we will face large-scale redundancies in the near future.

Countries across the world have been planning the delicate and tricky task of coming out of lockdown. That means carefully lifting restrictions to reduce social and economic damage while keeping the R rate under control. In a similar way, the Executive have set out a phased five-stage plan for Northern Ireland to move out of lockdown. The decisions taken will be based on evidence and will take account of our unique circumstances. Manufacturing and construction activities are already permitted here under the existing regulations. A number have restarted, as they can safely manage social distancing in their workplaces. Some retail businesses have also adapted, and we can learn from them. Care and thought will need to be taken in reopening the other parts of the retail sector. Garden centres reopened at the start of the week. Some sports, drive-in church services and cinemas are also now permitted. Hospitality venues, including bars and restaurants, are likely to be reopened towards the end of the reopening phases and will need additional support.

I recognise that many businesses will need specific guidance on their workplaces. I have asked the engagement forum to consider the guidance recently published by the UK Government and to assess whether that would improve on the practical advice that we already have in place to help employers, employees and the self-employed to understand how to work safely during the coronavirus pandemic.

We need to build on what is best in our economy and focus on the areas where we can be most competitive in a global market. Yesterday, I announced that the Boston firm Cygiant was creating 65 new cybersecurity jobs in Belfast. That is welcome news at this challenging time and an endorsement of Northern Ireland's growing reputation in the field.

None of us should underestimate the enormity of the challenge ahead, but other small economies are reacting well and preparing for the future. I am determined that Northern Ireland will do the same. We will all have to get used to new business models and new working arrangements, less travel, more

remote and flexible working, less foreign direct investment (FDI) and a heavier reliance on local supply chains. We should use our size to our advantage. We should be agile and decisive when new opportunities present themselves. Business needs to adapt quickly, as it always does.

Companies across Northern Ireland are already adapting to the challenges that COVID-19 has thrown into their path. They have made changes to their working practices and physical structures to enable people to remain in work in key and priority sectors. They are producing much-needed personal protective equipment (PPE) for health workers in hospitals, care homes and community settings. While many people will continue to work from home for the foreseeable future, businesses are beginning to plan for the gradual return of more staff to their workplaces. The safety of workers is and always must be a top priority.

The engagement forum chaired by the Labour Relations Agency has been doing invaluable work. That work was well ahead of other areas of the United Kingdom, and it will continue to advise as we plan ahead. The Health and Safety Executive (HSE) has also been playing an important role in working to address unsafe working practices where that has been needed. From 1 April until 19 May, it received 771 complaints. A further 309 complaints were passed on to councils with the appropriate responsibility. In the past two weeks, 52 site visits have been conducted. Some required follow-up visits; others have been resolved.

Under the four city and growth deals, we will support new projects in innovation, digital economy, skills and tourism. The Executive are match funding £562 million for the city and growth deals and £55 million for the Inclusive Future Fund. It will also provide up to an additional £100 million for complementary projects in other areas outside the north-west. I welcome that injection of crucial funding for all regions of Northern Ireland, which will boost our economy over the next decade.

Support does not come just in the form of money or grants. My Department has also partnered with the Open University to offer free training courses to help people across Northern Ireland to improve their skills and well-being. The skills focus programme is also available for small and medium enterprises at no cost. It offers free upskilling by further education colleges for staff, including those who are furloughed, so that they can return to the workplace upskilled.

I very much appreciate the support of the Committee at this time. It is essential that we continue to work closely together as we move forward and plan for the future. Businesses here withstood the toughest of times in our past, and I have no doubt that they will do the same again. Thank you.

**The Chairperson (Dr Archibald):** Thank you, Minister, for your statement and for laying out of all the work that has been going on.

As you said, this is an unprecedented health crisis, first and foremost, but the economic impact is huge. It is important that we are now in the phase of looking forward to the type of recovery that we want to see. Of course, we all want a recovery that is fair, more equal and builds on some of the sectors that have expanded during the crisis, as well as supporting those that have suffered. The announcements on cybersecurity are important. That sector has expanded the digital economy.

There is an opportunity to build on the green economy. It was reported in the press today that global carbon emissions had dropped by 17% during the lockdown, so there are lessons to be learned from this and real opportunities to look forward with regard to the green economy. We have the New Decade, New Approach commitments around a green new deal, tackling the climate emergency and all of those things that we want to build on as part of the economic recovery. You mentioned the need to support local supply chains in the recovery. Global supply chains have been very much impacted by the lockdown. There is a real opportunity in developing the all-island economy. That has been highlighted by the likes of the Confederation of British Industry (CBI) and the Irish Business and Employers Confederation (IBEC) and by InterTradeIreland when it was with the Committee last week.

Some of the issues that we would like to deal with today include the grant support, which has been really important to businesses and many have received a really important intervention. You outlined the numbers that have received the £10,000 and £25,000. The hardship fund was announced at the weekend, and there was frustration and bewilderment amongst some who had expected to be included in it, such as the social enterprises and sole traders. Those issues have been highlighted over the past couple of days. We really need to look at how those people can be supported. Social enterprises with charitable status are still businesses that compete with other businesses and very much feel that they should be included in the business support. It is the same for sole traders, some of whom are not able to access any support. They are not able to access the self-employed income

support scheme because of the way that they have set themselves up. There are also the newly self-employed, who have not been able to file a tax return for 2018-19 and are not able to access it either. Those people have the types of businesses that we want to encourage to grow and expand in the time ahead. They are entrepreneurial people who are doing really good work, and it is important that we do whatever we can in supporting those businesses.

There are a few other issues that I would like to pick up on, but maybe you would like to comment on those first of all.

**Mrs Dodds:** OK. Yes, I think that it is really important to build on the really strong areas of the economy. We have some really strong areas around fintech, the digital economy and so on. Just last week, I had a very interesting and informative call with Catalyst about young entrepreneurs in the digital economy, and we hope to reach out more to those young people, many of whom have been in significant detail and we are following up with some of that.

I also agree that this is an opportunity not just to restart our economy but to reprioritise and regrow it. I see a huge amount of opportunity in the green economy. Last week, in London, I was talking to one of my counterparts about exactly that and about how the innovation that is already in Northern Ireland can be used in that green economy. I cannot say a lot about it at the moment, but there are some very exciting pieces of work that we will be able to bring forward around the green economy. I received some very good news last night, which I will be announcing soon, around those who have been entrepreneurial, far-sighted and have gone out and sought support for their work in developing the green economy. That is a really important opportunity not just to build on what we have and to reach out on what we have but to refocus on some of the things and to refocus the economy in some of those ways. I think that that will have a growing importance for the restart programmes that the national Government will bring forward, as well, so it is really important, and I am glad that you mentioned that. As I said, my call with Catalyst was very important.

Excuse me, I am just going to bring up the absolute figures for the grants. I gave you the figures for the payment of the grants so far. We are still working our way through those, but today is the last day that they will be open. They have been open for quite a number of weeks; the £25,000 grant for less time than the £10,000 grant. At the start, we saw a huge number of applications, but they have been tailing off. That indicates to us that we are probably at a maximum on that. We will be doing our best to wind up both of those schemes and to make sure that everybody is paid as quickly as possible. At the start of the £25,000 grant scheme, I promised that we would not wait any length of time to get the money out and to get it paid to local businesses that are in considerable hardship. We have been doing that. We are proceeding apace with that grant scheme.

The hardship fund was announced at the weekend. There will be further details about it, and I had hoped to have a go-live date today. I will update the Committee as soon as I get the absolute hard time for the go-live date for the hardship grant. We are working apace on that.

You asked me about people in two areas. Social enterprises that are not charities will be able to apply for the hardship grant. There are lots of those around, and they will be able to apply as long as they meet the criteria. That is not an issue. As I said to you on Monday, I have no ideological role in this. It is about the practicalities of how we administer the grant. The Minister for Communities, Deirdre Hargey, is bringing out a charities grant. A considerable amount of work was done between Economy and Communities, and it was decided that, in order to avoid duplication and people not knowing where to apply, charities will apply to the charities fund. There is considerable pressure on both funds, but it was to avoid duplication. I asked my officials to go back and look at that, and everyone has informed me that that is the road we should go in order to achieve our aims: to get money out quickly, to avoid duplication and to avoid cross-checking. The second factor in that is that the charities fund still has a little bit of time to go until it becomes live. It is not anything other than us wanting to avoid duplication and to get money out to businesses as quickly as we can.

On the target groups for the hardship fund, we have targeted businesses that have one to nine employees. That is a target group of probably around 30,000 businesses, which will be somewhat reduced because some of those businesses may have already received money through different schemes. If you have applied for the £10,000 or £25,000 grant and have been successful in your application, you cannot apply to the hardship scheme. Really, all that we have been trying to do is to ensure that we work within the envelope of funding that is available to us and that we work to ensure that we get to as many people as we possibly can, in as quick a time frame as we can. That has been the principle guiding what we are doing.

The decision was taken to target businesses with one to nine employees. Do you want me to go on with this now, or will I respond to other questions?

**The Chairperson (Dr Archibald):** No, go ahead.

**Mrs Dodds:** I am aware that I may be going on for a bit too long. I do not want to hog anybody's time.

I asked the Department to do some figures on this, because, obviously, we work within a funding envelope. The funding envelope is just over £400 million for grants, and the Executive's consent and announcement yesterday about the extension of rates relief brings the amount of direct support going to businesses in Northern Ireland to over £700 million. I know that businesses are in terrible hardship. I understand that. However, from the work that we have done, the level of support for businesses is one of the highest in the United Kingdom. We will continue to reassess those. The next opportunity will be the June monitoring round. We will continue to keep an eye on it and to reassess as we go along.

For example, if we were to take all the businesses in Northern Ireland that are not eligible for the hardship fund and to provide £10,000 to each of them, it would cost another £890 million. If we were to provide £10,000 to registered businesses with nought or one employee, we would be looking for another £350 million. You can see the scale of the need. What we have done is to prioritise. I throw those figures out just so that we see the scale of the need. I do not diminish anyone's need or the dire circumstances that are in it. We will continue to give priority and to work at trying to get help out to different sectors. That demonstrates the scale of where we are at.

You asked about the newly self-employed. After our phone call on Monday, I looked at the scheme that Scotland has for those who are newly self-employed. They tend to be younger people, people who are entrepreneurial and have seen a way of establishing a business and growing it for themselves and their families, and so on. Again, we will look at that as we bring to a close the £10,000 and £25,000 scheme, but we have to work within the funding envelope that we are given.

**The Chairperson (Dr Archibald):** Thank you for those responses. Other members will pick up on the issues. I reiterate that social enterprises that have charitable status do operate as businesses.

**Mrs Dodds:** Sorry, I have been given an update. The hardship scheme will go live at 6.00 pm today.

**Mr Dunne:** Good.

**The Chairperson (Dr Archibald):** That is good news.

**Mrs Dodds:** That is good news.

**The Chairperson (Dr Archibald):** We want the fund to include, specifically, the self-employed and sole traders who have not been able to access any other support. Anything that can be done to identify those people will be really useful. You gave some very high numbers for businesses that could potentially be involved in schemes, but I think that a much smaller cohort is likely to fall into the specific category of having no support and being a sole trader. I am sure that other members will pick up on that as well.

Before I open the meeting to members' questions, I will pick up on one other aspect. This crisis will have a particular economic impact on young people. We have seen a number of reports on that, including one published yesterday by the Resolution Foundation, which predicts up to 25% youth unemployment. These are very concerning times. To some extent, young people bore the brunt of the previous economic crisis, and they have ended up facing another crisis within 10 years. Our response needs to focus on that.

We welcome yesterday's announcement of £1.4 million towards the student hardship fund. That will be very important in supporting students. You spoke previously about a figure of £2.5 million for the hardship fund. Is the Department going to direct support on top of the £1.4 million?

We need to have engagement between young people and the Department that involves the students' unions. They have raised with us the fact that they want to be involved with officials in planning and engagement and in the economic response. In the time ahead, it will be really important that we have training and skills opportunities specifically for young people. Obviously, that is important for people of

all ages, but it is important to help those coming out of university or college. Previously, there would have been jobs in retail and hospitality. Those are the sectors most impacted at the minute, and there are not the same opportunities for young people to have employment.

Would you like to comment on some of that?

**Mrs Dodds:** I absolutely agree with you. The analysis of yesterday's unemployment statistics indicates that the people who were immediately impacted on by the pandemic were the young, those on zero-hours contracts and those in part-time work. That is reflected in the claims for universal credit and the statistics that came out yesterday, so I am absolutely cognisant of that issue. As we go through this and talk about economic recovery I will want to say some other things about it, but I am absolutely cognisant of it.

I had John in mind when we talked about the hardship fund, because he has faithfully asked me about it at every opportunity. Yes, a further allocation was made for student support and our hardship fund. In the Department we are looking at re-prioritisation in the June monitoring round. I hope to add to that so that we can get it back out and into the universities.

**The Chairperson (Dr Archibald):** We were going to give Christopher the first question, because he did not get to ask one the last day you were here, but he is not here. He will be along shortly, I am told.

**Mrs Dodds:** He is having a crisis.

**The Chairperson (Dr Archibald):** Yes, I believe so.

**Ms McLaughlin:** Thank you very much, Minister, for that briefing. It was very informative. It would be remiss of me not to thank you for the Executive announcement on Monday regarding Magee. I know that there is still work to be done.

**Mrs Dodds:** Yes.

**Ms McLaughlin:** There is an imminent deadline for that, as, according to the announcement, the first intake of students will be in September 2021. We are delighted about that; the whole city is celebrating that good-news story. Hopefully, whatever work has to be done in the next couple of weeks will go through.

It is also great news about the 65 cyber jobs. That is brilliant. We have a cluster, a niche, in Northern Ireland that we need to grow and develop.

Picking up from where Caoimhe left off in relation to young people, that is a real concern for all of us in the economy, because we have a lot of school-leavers, people who are joining the job market for the first time, either just graduating or leaving school, and their prospects are very bleak.

What, in the economic recovery programme, do you envisage that we should do collectively? What should the Department do? I am thinking about blending apprenticeship programmes and supporting employers to take in trainees and apprentices. We will probably have to fund those positions, because it is necessary that we get young people into work quickly. We cannot afford to lose that generation.

We have to think hard and be innovative. I welcome the news that you were talking to Catalyst regarding young entrepreneurs. I have been talking to the business community at home. We have an education advisory group, and I ran it past it about how we can get blended training programmes with our further education colleges, employers and young people to get them into work quickly so that they are not left behind. This is the generation that cannot afford a mortgage and which has already taken a hit from the previous crisis. We cannot afford to leave them behind. It would be a social upheaval.

Northern Ireland has traditionally dealt with such things by our young people emigrating to get jobs elsewhere, but even that is not possible for them. As Caoimhe said, retail and hospitality are not possible either. We have to re-skill them, get them into education and blend that with work and support employers and further and higher education colleges to do that.

Is that some of the thought process that you are looking at in the Department to see how we can support our young people? This is mental-health awareness week, and there is a mental health impact when we leave our future generation behind.

**Mrs Dodds:** Thank you. I do not disagree with anything that you said, Sinead. There are two things that I want to focus on. The announcement on the Magee medical school was a good one; it was good for the Executive to make and it was good for the city. More importantly, it is good for the whole of Northern Ireland. We need more doctors and we want more young people to train and retrain. I do not pretend that the path ahead is easy. There is significant work to do on capacity issues in the Ulster University and its financial position. However, we have set ourselves a pathway and we are working hard on it. There will be further papers to the Executive on that in due course.

On the issue of young people, I will say a few words on the general economy and recovery as a whole. In the next number of weeks, I will bring forward a series of papers to the Executive about economic recovery. Some will be immediate; others long term. We have been doing research on the number of people who have been furloughed, why firms furloughed them, the potential for firms to restructure and reorganise, and what happens to workers who have been furloughed. We are working our way through that. Fortunately, the extension to the furlough scheme has given us a little bit more time to do that. We need to understand what is happening in the economy, and we hope to produce that research fairly soon. That will direct the general interventions that we need to make in the economy. That is important. We will talk to you about that and share the information. All those pieces of work are ongoing. In the Department, there is an emphasis on how we recover, reboot, re-prioritise and get the economy up and working again.

I have said this often, and it is worth repeating, that, in itself, every month of lockdown is equivalent to a large recession. That brings with it all the attendant problems of demand, production, unemployment and the anxiety and stress that those bring.

The second element of your question is how we address the problems of young people in the middle of all this. You are quite right: young people suffered very badly in 2008-09 and in the years following. In many countries across Europe, when I was in the European Parliament, unemployment for people under 25 could have been at 40% or 50%. No one wants to go back to those days. We need to work with higher and further education to ensure that we give opportunities to young people at all stages. That will mean looking at the skills required in the economy, how we can encourage young people, and how we can expand training and apprenticeship places.

At the outset of the COVID-19 crisis, we said to training organisations, "Even though you do not have young people and are not training them right here and now, we need you to survive and continue." We continued to pay for the places that those young people would have taken up. We are keeping our training organisations in place. I am adamant about that. From the young person who has found difficulty at school to the one who can aspire to a higher level apprenticeship, a degree course, or whatever they aspire to in life, they must have opportunity. That means that we must make interventions in the delivery of further education. We want to understand the demand and the regrowth of the economy. I am sure that, as this conversation continues, we will have much to say about it.

**Mr Middleton:** Thank you for being with us, Minister. I ask you to pass on our thanks to the Department. Whilst we may be critical about what should be done, we know that huge effort has gone into getting money out quickly to the businesses that need it and also that many people are working long hours. We want to put on record our thanks to all of them.

There has been welcome news about the five-stage plan, as it gives people hope, and we need hope during these difficult times. We need a bit of hope that the economy will get moving again and the wheels will start turning.

Minister, have you any thoughts on where we go next? I do not know why people are obsessed with hairdressers —.

**Mrs Dodds:** I do, Gary, I do [*Laughter.*]

**Mr Middleton:** People want to see them open [*Laughter.*] Caravan parks are another topical one. There are a few dodgy haircuts running about, but we will not pass judgement [*Laughter.*] There is a bit of anxiousness about non-retail. They want to get going and they want to open the doors and get the economy moving. Have you any thoughts on where we go next?

**Mrs Dodds:** That is a very valid question. First, the five-stage plan is based on the science and moving forward at a rate that ensures the stability of the R number, as the Chief Scientific Officer said to us last week. In other words, we do not want the reproductive rate to rise so that COVID-19 spreads again in the community with all its dreadful consequences. It is about the stability of the R number and making sure that people are safe. With regard to business in the community, it is about making sure that consumers are confident when they go out, that they feel safe, and that they respect the guidelines on social distancing and good hygiene, particularly hand hygiene.

We want to make sure that we do things safely and with regard to the reproductive rate number. That is so important. I think, personally, that the worst thing we could do would be to plough ahead regardless — as my mother used to accuse some of us of doing — and not take cognisance of the very grave health risks. If the Executive were not cautious about making finely balanced decisions on big judgements for the economy, it would mean that we would ease restrictions only to have to pull them back again. That would be devastating for businesses in Northern Ireland, and I do not want to see that happen.

However, I am bringing a series of papers to the Executive, and I think that we can slowly and steadily reopen and re-energise our economy. For example, we have already opened garden centres, recycling centres, supermarkets and shops. In many ways, our small shops have been heroic and have done so much in the very dark times of the crisis.

At the next review of the regulations, on 28 May, we need to start thinking about how we can open non-food retail: garage forecourts — big, open, outdoor things — where the risk of spread is less. We need to do that. I am thinking about electrical stores, garage forecourts and car sales businesses. The type of business that does not operate in terribly close quarters but which will be another staging post on the road to recovery and where there is room to ensure that social distancing is done appropriately. We understand that businesses will need a bit of time. We are not asking or instructing anybody to do anything immediately, but that is the sort of thing that is on my mind. We will bring the paper to the Executive and see whether there is consensus. Most importantly, we will test it against the scientific and medical position that we are in.

**The Chairperson (Dr Archibald):** That is important. We all recognise what the impact on the economy might be if we opened up too quickly and had to close down again. The Committee has been getting really useful information from various sectors about the measures that they could put in place — even recovery measures and support that they have been putting forward. We have been feeding that through to the Department.

You mentioned the work that the engagement forum is doing. Is there a way, potentially, to collate all of that so that the useful information and experience of some organisations could be shared with other businesses to support their reopening and recovery plans?

**Mrs Dodds:** Yes. Last week, the Department for Business, Energy and Industrial Strategy (BEIS) in London produced a set of working safely plans. Those are general UK frameworks for how to work safely in different settings. I spoke to the engagement forum last week and told it about those umbrella UK plans. It makes sense to have UK plans; this is our biggest market. We asked the forum to look at the plans to see how they can be adapted for a Northern Ireland-specific context and to look at what we can do to improve them. We want to know how those plans add to or improve the advice that is already available from the forum.

My understanding is that the engagement forum has broken into sectoral groups, and they are looking at that. As we bring forward papers about the economy and the potential for and the pathway to the recovery and reopening of the economy, we are doing it alongside those safety issues. I have said many times in the Chamber and when giving interviews that safety is non-negotiable.

**The Chairperson (Dr Archibald):** It is very important that we have the kind of collaborative approach that has been adopted through the engagement forum.

Are you looking to come back in ,Gary?

**Mr Middleton:** No, I am content. I have another question, but I think it only fair that we rotate.

**Mr Stewart:** Thank you, Minister, for your presentation. I echo Gary's sentiments and comments in support of the Department. Saying that we are in unprecedented times has become a cliché, but you are doing phenomenal work behind the scenes to get things out.

However, imagine that you are self-employed or running a social enterprise. You have been waiting for support for weeks or, potentially, months. Having been ruled out, you are relying on the hardship grant, with its criteria established, going live, only to go online at 9:00 pm on a Friday, with a glass of wine to drown your sorrows, to find that you had been excluded. You wake up on Saturday morning to find that you have been included, and, then, you go online today to check, only to find that you have been excluded again. That is what has happened to many social enterprises and to all sole traders. The criteria on Friday night ruled them out, but the change to criteria on Saturday morning seemed to rule them back in, and they believed that they had a lifeline. Today, I appreciate the sentiments about the envelope of money, but they are now being told that they cannot apply.

I have had people in tears contacting me — we all have, including you, Minister. This is the entrepreneurial spirit that we talk about. These are people who have given up careers to go into self-employment to try to feed their families through growing our economy that way. They have had no support up to now. I appreciate that there is not an endless supply of money, but how did we get to a situation where they thought that they were going to get something, when, actually, they are getting nothing?

I echo the Chair's sentiments as well. While I appreciate that many of those social enterprises are charities, they contribute hundreds of millions of pounds to our economy. They are producers, suppliers and retailers, and they have been excluded from every scheme to date. I plead on their behalf, especially sole traders, that we do something for them.

**Mrs Dodds:** OK. Maybe we should look at the issue around that. On Friday night, the wording was quite bad, John, and I am not making any excuses for that. That was why I asked for it to be looked at again. It was changed and clarified on Saturday. When the scheme goes live, there will be a full checker with related questions and answers.

I am sorry; I am taking my glasses on and off because I usually have varifocals and these are my reading glasses.

**Mr Stewart:** I am somewhere behind you. You should get a mirror; you can look at me that way  
*[Laughter.]*

**Mrs Dodds:** I cannot see the paper and see you at the same time. It is one of those problems that come with being a certain age. I apologise for that.

I am not hiding away from that at all, and I do not excuse that. I was disappointed by that, but, tonight, when you go online at 6.00 pm as the scheme goes live, there will be full eligibility criteria and a full set of questions and answers, and firms will be in no doubt about who can or cannot apply.

In Northern Ireland, about 53,000 businesses are not registered for PAYE or VAT. Some of those are eligible to apply for the £10,000 or £25,000 grant schemes. That does not depend on what they are doing. Many of them will be eligible for the self-employed scheme. No matter what you think about how late that has come on stream — it has come on stream late — many of those people will be eligible for the self-employed scheme.

As I said, we have tried to work within the funding envelope that is available to us. These are difficult choices. I have answered questions about various sections in the community, including mid-sized manufacturing firms, those who are newly self-employed and mid-sized firms that employ 10 to 50 workers. So far, we have not been able to pass funding their way.

I will continue to use the Department to identify those people and to see whether there are ways that we can help them as we go forward. A social enterprise that has not claimed charitable status, and there are many, and fits the criteria of the scheme, that is, employing one to nine people, is eligible to apply to the hardship scheme. That goes without saying.

For social enterprises with charitable status, for clarity and ease of checking, it has been decided that they should apply through the charities scheme. There will be help through that particular scheme as well.

**Ms Sugden:** I will pick up on a similar theme to what John talked about in relation to the ambiguity of the wording. I appreciate that you acknowledge that there were difficulties on Friday night. I put it to you that there continue to be difficulties. On Saturday, there was ambiguity around sole employees who are either owners or directors. The wording that suggested to me that they were included remains on the website. You say that it will be made clear when the scheme opens tonight at 6.00 pm. The eligibility checker that went live last night is very explicit that sole traders cannot access this scheme.

The difficulty that I have, particularly as a constituency MLA, is that I have been contacted by a considerable number of businesses that are not able to access any of the other schemes and are now not able to access the hardship scheme. So, whilst I appreciate that you were mindful that people were getting funding from somewhere, there are a considerable number that are getting funding from nowhere.

I will even extend that to welfare. We have a situation where company directors cannot access universal credit. The line trotted out by the UK Government is that no one will be left behind. Unfortunately, we are not even supporting people on a welfare basis with the support that is coming through from COVID-19. Their income stopped overnight, and they are not getting any sort of state benefit.

I appreciate the concern about money. You do not have an infinite pot of cash to help everyone. However, another difficulty that I have is that some people — I do not criticise them for this — are getting a bite of two pies by getting more than one grant. Others are getting nothing, not even welfare. What I ask is that the Department set up an online portal that seeks to get in touch with people who have not yet received any support so that we can see how far that number extends — it concerns me that it has extended quite far. There might be an opportunity to do that in the June monitoring round. I hope that it comes sooner, but I understand the budgetary pressures.

I will give you an example of the hardship fund. This leads on to another point that I want to raise, Chair, about the 12-month rate holiday. I questioned the Finance Minister about that yesterday. In some small businesses, the owner is also the only employee. Such businesses will not be able to access the hardship fund; nor will they get the support of the 12-month rate relief, because they pay domestic rates. That includes guest houses.

On 6 May, Robert Jenrick announced, on behalf of the UK Government, that bed and breakfasts that pay domestic rates will be supported. I appreciate that that might be just for England and Wales, but the Department needs to look at that for Northern Ireland. I recognise that rates come under the Department of Finance, but it seems that many of the businesses most affected are those that underpin tourism. Maybe conversations need to happen with the Finance Minister and the wider Executive to ensure that the 12-month rate relief is not just for businesses paying non-domestic rates. I do not know how you do that. There might need to be a call for businesses to come forward to make their case and be heard.

I will give you the example of a constituent who runs a guest house. As she has been doing it for only two years, she is not eligible for the self-employment support. She pays domestic rates because it is her home, so she cannot access any of the small business rate relief grant supports either, and I do not think that there is anything else for her. Inevitably, her business will go to the wall, as will so many others.

My other point is on childminders. Yesterday, the Minister of Finance said that childcare providers will be exempt from rates for the rest of the financial year. However, that is only for providers who are in a facility on which they pay business rates. The majority of our childcare providers — childminders — work at home and pay domestic rates. I appreciate all of the supports that have come forward, and I recognise that they will help many, but it really concerns me that they are not helping quite a lot of others. What is even more worrying is that they cannot access anything.

My final ask relates to the discretionary fund. You talked about it at the outset, but we have not heard too much about it since. Let us look at the needs of individuals; let us understand why they have not been able to access anything until now; and let us see whether we can provide a pot of money and look at how we can support them. The point of all of the support, from my understanding, was to keep people ticking over until this situation moved on. We have moved on from that now. Businesses will still go to the wall if we do not try to support them moving forward. I worry that it is the small businesses and sole traders — the ones that, given that ours is an SME economy, really do underpin our economy — that need the support.

**Mrs Dodds:** I will certainly take back to the Department your idea for a portal. We could call for evidence from different sources. I can certainly do that. I will pass on to the Finance Minister the issue of small bed and breakfasts that do not pay domestic rates and the issue of childminders. I do not pretend to understand the categories given to every business in the rating system.

On the question about those to whom relief was extended, the idea was to get to a broad mass of people who had been told that their business had to close. Non-essential retail businesses had to close.

I had a call, Claire, on Friday of last week, with a variety of businesses from the north coast, including some very big retail businesses in the area. They indicated that what they really needed was security around rates, because that was an issue that they just could not get to. You and I know the situation. They were told to close, they have no means of selling product, and much of their summer stock has a very limited shelf or hanger life or whatever way you want to say it. Those businesses were really keen that rate relief be extended to them. The Executive have a fair — to be fair, the Finance Minister does too — and well-evidenced rationale for how and why those sectors would be supported.

Obviously, airports are really important as well, because they will continue to go through a really tough period until we are able to sort out safe travel for the future.

A rationale was provided, and a lot of work was done to provide that rationale for why those sectors would be supported in the longer term. Giving additional help to everyone for a month was to allow people who were gradually opening up to see where they were in the system, but for many in tourism, bars and restaurants etc it would be further down the line before they could reopen, and they needed more support. A lot of work was done on that.

As the Minister responsible for tourism, I certainly want to see our network of B&Bs survive, so I will look at that because they are so important.

**Ms Sugden:** I very much welcome the rate relief, and I know that you did a lot of work to get it extended to 12 months. My purpose in raising it today is because when I raised it with the Finance Minister yesterday he said that those businesses that do not qualify should apply for hardship payments, but I could not get back in to tell him that they are now not eligible.

I think that the next step is a discretionary fund, and we can start it by identifying those businesses that have not got anything. The only way to do that is to put a call out to those businesses, ask them to come forward, do some sort of assessment of that information and then provide that fund so that we truly support everyone. To be fair, I do not think that it is one or two that are affected, Minister; it is quite a considerable number. I know that you want to support them, and I know that money will be difficult, so we need to find a way to do that.

**Mrs Dodds:** It is really about the funding envelope and about how we distribute to as many as we can. I am really quite keen that we try to be fair and get to as many as we can within the envelope that we have.

**Ms Sugden:** Thank you.

**Mr O'Dowd:** Thank you, Minister, and thank you for your answers thus far. You said that you were thinking of me when you signed off the student hardship fund, because I took every opportunity to ask you about it. You will be glad to know that I have a new cause *[Laughter.]* It echoes what has been said around the room thus far, and it is about sole traders.

Their hopes were raised about the £10,000 fund, but they were told no. Their hopes were raised for the £25,000 fund, and they were told no; for the self-employment scheme they were told no; and their last chance saloon was the hardship fund, and they have been told no again. I know that you have covered this point several times, and I accept that there are budgetary constraints in all these things, but when you prioritise one sector, another sector then feels that it is not a priority, although I am not saying that that is the case. The scheme has gone poorly from its very outset and initial launch. You have accepted that there was poor wording in the initial documentation on it. We had false starts in the launch of the website as well. There is a sector of our business community that feels very disappointed and let down, and we, whether it is the Department for the Economy or the Executive collectively, have to step forward and offer it support.

I urge you to take on board what has been said around the table today and to bring forward some form of support for sole traders and those who have been left behind.

**Mrs Dodds:** I do not want to go over old ground, because I do not think that is constructive for us. Many sole traders can access self-employed support. Many sole traders have access to the £10K grants because they are in a building that is suitable and are operating from premises that can do that. This is not an easily defined and homogenous group. The term "sole trader" is used as a phrase; there are many categories within that. There are sole traders who identify themselves legally as sole traders but who employ people and can access the hardship fund as well. There are lots of categories within the sole trader group. We have been using it as a catch-all, but we need to look at those variations.

As I said, I am grateful for the help and support that Executive colleagues have given to ensure that money goes out to businesses. No matter how imperfectly that has been done, a lot of support has gone out into the business community. I have been contacted personally by a lot of businesses that are grateful for that support and for the way that, collectively, we have gone about our business of trying to help in extraordinary circumstances.

We have a funding envelope, and that is where we are at. As, I think, Claire said, there will be a June monitoring round, and, in that, we will want to identify funds that we will need in order to continue to support businesses and to see them into the next stage of their recovery. There is a lot of pressure on the funds that are available for the different sectors. I am not saying that that in any shape or form minimises the distress that many people feel.

**Mr Dunne:** Thank you for coming today, Minister. We appreciate all the work that you have done since you came into post. You went straight into the deep end, and you have put in many long hours. The staff in the Economy Department and Land and Property Services (LPS) who have worked with us also deserve recognition. We want to record our thanks to them. We get emails at all hours of the night, and we are glad to see them. We appreciate the work that they are doing over the weekends as well, so I think that it is important that we record that.

We, as a Committee, have worked well together since we got going. I fully endorse the comments that other members made today. I will not go over them all, but John's points about microbusinesses and the hardship fund were well made. There were mixed messages. I got caught up in them, and I was celebrating with some people on Saturday 16 May. The information was put up on the NI business website, and I thought, "This is great. The sole traders are in", but I have had a terrible sinking feeling since, to be totally honest with you. A lot of people have been on to me about it — good people, like architects, photographers or physiotherapists. People who work from home, tutor or own small businesses have looked to the hardship fund and are so disappointed.

I fully endorse what has been said, but I also emphasise that there are other gaps. I have talked to you about that, but for the Committee's benefit, I will say that there are businesses, such as larger estate agents, solicitors and communication companies, that have a net annual value (NAV) in excess of £15K. They have been excluded from the £10K and are not eligible for the £25K. That is an issue. There are also small engineering businesses and even printers who argue that they should be included in the £25K category but are not. They are subject to industrial derating and have an NAV in excess of £15K, so they have missed out as well.

The other point that I have laboured a number of times when I have talked to you is about golf clubs and leisure centres. They have been arguing that they should be in the £25K category. They are going to suffer a loss for a long time because it is not going to be business as usual for them. I emphasise those issues and underline the points made.

Moving on, in relation to Brexit, I understand that there have been further developments on the protocol. Perhaps you could update us on how that is going to affect business in Northern Ireland.

**Mrs Dodds:** We have been round the houses on the grants, so I will not continue to say the same thing other than to say that the parameters were drawn and agreed by the Executive. We looked at different avenues and ways of doing this. We pretty much mirrored the systems throughout other parts of the United Kingdom, and we will continue to look at the opportunities to help those who have not been helped thus far.

On Brexit, my understanding is that a member of the Government — I am not sure which member — will make a statement in the House today on the operation of the protocol. I have not read anything

and do not know what they are going to say, so I am not in a position to say. However, what I would like them to say is an entirely different thing. I would like to see us get some more certainty on what the "unfettered access" to our market in GB is.

People in this room will have different views on Brexit, but we all now have to say that, since Brexit is a reality, our issue is to put Northern Ireland in the best place possible in order to ensure that our economy is vibrant, lively and recovers well. I would like to see the unfettered access issue addressed. It is really important for our firms that we do not add complexity and cost to their trading arrangements within the GB market. That is an absolutely central core priority for me as we go forward.

I have done a significant amount of work with the Government on goods coming from GB to NI and on what those at-risk goods are and how we could categorise them. I have made it clear that I think that our Government should be looking at goods, for example, coming from Scotland to supply our supermarkets. Those goods are not at risk of going into the single market, so they should not be treated any differently from any other goods that are in the United Kingdom's internal market. Again, essential goods, so chemicals, medicines and so on, are not at risk of going into the single market, so they should be there.

I have had the support of Executive colleagues on that, and not only have I been talking to Government but I understand that the First Minister and deputy First Minister have written along the lines that we requested on the at-risk goods process. I would like us to see a free flow of goods between Northern Ireland and GB and from GB to Northern Ireland. It is really important for our firms that we establish those parameters and do not add cost to trade or cost to consumers, which is exceptionally important.

This week I also had a conversation with Greg Hands, who has been tasked with keeping the devolved Administrations abreast of international trade. There, again, I have been saying very clearly that we want Northern Ireland firms to be in a position where they can benefit from any of the trade deals that are being talked about between the UK Government and different parts of the world.

I also had a very brief conversation about the global tariff policy that was announced this week, and we are looking for a fuller paper on that. Those are really important aspects of Brexit. The Department has also been working on the list of legislation that will be required in order to make us ready for December.

Under the cloud — I do not know how to describe it — of COVID, we have been working away at many of the really important Brexit issues. Our interest is Northern Ireland, how it trades with its biggest market and how it trades with other parts of the world, including how it trades North and South. Those are really important aspects of the work that we have been doing lately.

**The Chairperson (Dr Archibald):** Thank you, Gordon. I have a few people who want to come in for a second question. Can you make those questions as concise as possible? The Minister has limited time.

**Mrs Dodds:** Can I just say that I have a phone call with Tourism Ireland that I really have to take?

**Mr Middleton:** Thanks, Chair. My question is actually timely, because it comes on the back of what Gordon said. Now, even in the public domain, there is starting to be an increase in talk about Brexit. We are working to ensure that we do not become complacent about health risks — let us be honest, we are going in the right direction — but the fact is that, as we try to resolve COVID-19-related issues, which, undoubtedly, will be with us for a long time, we also have to be mindful that Brexit will come alongside that. We talk about the opportunities that there will be when we leave the European Union. We need to ensure that, whatever those opportunities are, there will be flexibility as they come in order to allow for our unique circumstances here. I welcome the publication today.

Minister, what I am getting at is this: in those conversations going forward, it is important that you, with the other Ministers, ensure that the UK Government are fully aware that we need absolutely unfettered access and that we need that certainty. Hopefully, today there may be a bit more clarity around where the UK Government sit on all that. We know what they have said publicly to us and to the people of Northern Ireland. We need to see that in writing and to see it being implemented in a way that is satisfactory to us all.

**Mrs Dodds:** I absolutely agree. It is a core principle of the work that we are doing that the unfettered access is addressed by our Government and that they understand that, for Northern Ireland's agri-food and manufacturing firms etc, it is really important that we are able to do that. There are any number of other, more technical issues around Brexit that are ongoing in the Department, but those are the main, bigger, more political issues that we need to work on.

**Mr Middleton:** Very briefly, I have had conversations with the likes of Foyle Port. Later today, I will bring up free ports and how we can look at those opportunities. Now, we have the COVID-19 situation. We need to look at opportunities now to maximise those types of initiatives.

**Mrs Dodds:** Yes.

**Mr Stewart:** I will be very quick, Chair. First, Minister, some people have not received their £10,000 grant yet because they have multiple premises and the LPS is assessing whether they are eligible for more than one grant due to having different accounts. It has not paid the first grant while waiting to see whether those people are eligible for the second, third or fourth grant. Common sense suggests that they are given the one grant that they are guaranteed to be eligible for and then the rest should be checked. Can I urge you to raise that with LPS to make sure that everyone who is at least entitled to one grant gets it immediately?

Secondly, on estate agents, there is a big campaign to try to get the housing market back up and running. The last thing that we want to see here is a collapse there. Estate agents are working very hard behind the scenes to try to get themselves into a position where they can operate with social distancing. Can I urge you to look at that to see whether it is a sector that we can bring back quicker than others given that it involves less interaction?

**Mrs Dodds:** Yes. The process that we go through is to ask the Department of Health, John, to look at the implications for different sectors. Yes, I absolutely will do that.

**Mr Stewart:** Thank you.

**Mrs Dodds:** I will take that away. We will take that away as an action from today. If you have, for example, a particular set of premises that you want to enquire about, you can write to me and I will enquire about them. I am not quite sure. I do not make any of those judgements.

**Mr Stewart:** I appreciate that, yes. It is just more of an anomaly.

**Mrs Dodds:** Yes, it is just an anomaly. If you want to write to me, that is fine.

**The Chairperson (Dr Archibald):** I have two more people to ask questions. Sinead, can you make it quick, because John wants to come in as well?

**Ms McLaughlin:** My question will be quick. It is more or less an observation. The UK Government have indicated that there will be some controls and checks from GB to NI. Based on that, businesses are really anxious to know and to get information about what that means for them and what the impact will be. There are 250 days left until the end of the transition period. It is really important that we get as much information as possible to businesses about what they have to put in place, because there will be a cost impact to that.

From a legislative point of view, we understand that there are three Bills to go through the Assembly. There will be six at Westminster and something like 80 statutory rules. That is a major volume of legislation that has to go through within the next very short period. Time is tight, and it is of the essence, so the quicker that we can move on that, the better.

**Mrs Dodds:** I do not disagree with anything that you said. In a silly aside, I had a call with the Chamber of Commerce yesterday. It was a webinar. There were around 180 companies on the call. Those were the kind of issues that came up. The permanent secretary said that the one thing that has kept him awake at night was the legislative requirements.

**Ms McLaughlin:** They are massive. Time is of the essence. We are a bit behind the curve here.

**Mr O'Dowd:** The strategic engagement forum is a bit of an elusive body. We hear a lot about it, but we do not get detailed information or an information flow from it to the Committee. Indeed, the information flow from it to many of the business sectors that we have engaged with over the past number of weeks has been absent. Can a link be established between the Committee and the strategic forum to allow that information flow? What has impressed me most about the engagements that we have had with businesses is that many are bringing forward detailed plans on how they can open their businesses safely when it is safe to do so. I think that there is a danger of that information being lost between the Committee and whoever. It is important that there is a linkage between the Committee and the strategic forum.

**Mrs Dodds:** I presume that you mean the forum that is chaired by the Labour Relations Agency (LRA).

**Mr O'Dowd:** The engagement forum, yes.

**Mrs Dodds:** Right. The Executive set up the forum and monitor it but are not part of it. The two junior Ministers are part of that. They feed back into the Executive. I have an official who works with the forum and provides information to it. The purpose behind the forum was that it would be independent and not political. I am really keen that we keep it like that: independent and not political. It is a unique coming-together of businesses, trade unions and society, which, in the common good, have done an enormous amount of work over the last number of weeks. I am keen that we do not let it become political in any shape or form. I sometimes log on just to get a flavour of the conversations, but, again, I try not to be involved in the day-to-day work of the forum. I am certainly happy that we share reports from officials on the work of the forum. That is not an issue at all. I am keen that it is not hampered by us, John. *[Laughter.]*

**Mr O'Dowd:** Supported by us. *[Laughter.]*

**The Chairperson (Dr Archibald):** Minister, thank you. I know that you have to leave. I appreciate you taking the time to come to the meeting. It would be useful if we could do this quite regularly.

**Mrs Dodds:** Thank you, folks, and thank you for the continued support. We are here for the long haul on all those issues, and we are here with the best of intentions, collectively, in this room, to support communities and businesses and to grow the economy. In doing so, we will support families in Northern Ireland. That is massively important to me. Thank you.

**The Chairperson (Dr Archibald):** Thank you.