



Activity Tourism Sector Recovery

July 2020

Ireland's Association for Adventure Tourism (IAAT) is the independent representative association for the Activity tourism sector in Ireland. Activity tourism has been one of the fastest growing within Irish tourism and we aim to develop the sector in a sustainable and responsible manner to ensure the country is competitive on the international stage.

We represent over 200 of the country's leading Activity providers for the domestic and international markets – everything from hiking to kayaking, surfing to equestrian, fishing to climbing, and indeed adventure centres offering a wide array of activities groups, families and schools.

Like the entire tourism industry, our sector has been completely decimated by the Covid-19 crisis and now seeks urgent support from Government.

We are asking the following of Government:

FINANCE

The VAT Rate

We would like to see a *universal* VAT rate of 5% in the immediate term, moving to a 9% in January 2022.

Note that Surf businesses are currently classified under the 23% VAT rate which is not a reflection of their main activities (tourism activities for the domestic & international markets). Traditionally referred to as Surf "Schools", these operators
We ask for such businesses to be given access to any amended VAT rate.

Temporary Wage Subsidy Scheme (TWSS)

We ask for the extension of the temporary wage subsidy scheme to March 2021, eased to a 50:50 wage subsidy for providers taking people off the Covid-19 payments scheme.

Seasonal Workers

Due to the timing of the crisis, most seasonal workers were not entitled to the pandemic payment or the current temporary wage subsidy scheme. It is vital that Seasonal Workers are included in an extended TWSS.

We also suggest that training supports be covered for seasonal workers e.g. guides programmes, first aid courses etc. which will result in a more skilled workforce for the 2021 season.

Grants & Loans Rescue Package

We ask for an overall rescue package of *at least* €1.5bn (€1bn funding; €500m loans) – as per the ITIC Tourism Revival Plan.

Grant support is needed to re-employ key staff who will help build for the 2021 season (most of the 2020 season is already lost for the Activity sector). We want to see any grants made available to take account of businesses who do not pay rates.

Fixed Costs

Consider a % support of fixed costs for companies that have been impacted over 2020 by more than 75%.

Tax Breaks

We would propose setting off 2020 losses against businesses previous tax year profits.

Outdoor Education Centres (OECs)

We are asking the Department of Education to direct all Irish schools to retain their deposits with OECs, and to reuse them on their next booking.

Re-introduce the Jobs Bridge Scheme

Re-introduction of Jobs Bridge will allow small business to grow, and it is a great way to get young grads, school leavers into the tourism sector. An excellent scheme when used fairly.

Digital Grants

We would like to see digital enhancement grants (such as the one provided through Local Enterprise Offices) extended through the winter to give businesses the opportunity to improve their online booking and overall process (e.g. induction/welcome videos) capabilities.

Memberships

We would like to see key memberships covered by Government. For example: membership to ITIC, IAAT, Chambers and other cluster associations. Such memberships engender collaboration and support that will lead to a cohesive recovery.

INSURANCE

Reform

We would like to see the Government deliver reform as a matter of urgency and we look forward to Minister Helen McEntee making it a priority of her early days in office.

The Law Reform Commission has confirmed that they now envisage that their Report 'Capping Damages in Personal Injuries Actions' will be published later this summer. We would like to see this delivered and for this report to empower the Govt to bypass judges in re-calibrating the pay-outs/Book of Quantum.

Group Scheme Support

We want the Government to support the development of a Group Insurance Scheme to address the crisis in the immediate term. This point has now been addressed in the Programme for Government.

International Best Practise

We would again refer Government to the New Zealand ACC insurance model which is considered by many to be international best practise.

ACC is the sole and compulsory provider of accident insurance in New Zealand for all work

and non-work-related injuries. The corporation administers the ACC Scheme on a no-fault basis, so that anyone, regardless of the way in which they suffered an injury, has coverage under the scheme. Due to the scheme's no-fault basis, people who have suffered personal injury do not have the right to sue an at-fault party, except for exemplary damages.

Further information on the ACC model is available [HERE](#) and their website [HERE](#).

Covid-19 Indemnity

We would also ask for clarity on Covid-19 indemnity from an insurance perspective.

MARKETING

Island-wide Cross-Sector Campaign

We would like to see an island-wide marketing initiative and campaign to support all sectors. IAAT is currently developing a cross-sector and cross-border initiative, initially targeting the domestic market but with scope to roll out to international market (that will support repeat business) in the longer term.

As an all-island body, we would generally like to see a much more cohesive approach to domestic tourism across the island of Ireland.

Voucher Initiative

We would like to see a Government-funded 'Staycation voucher' scheme put in place for the tourism & hospitality industry to help stimulate domestic demand. To support this initiative, we would also ask for an additional bank holiday weekend at the end of September through up to and including 2022.

Festivals / Events

We would like to see campaigns like 'Taste the Island' rolled out to other sectors – Activities in our case.

Flight & Ferry Initiative

To reignite international demand (when public health guidance deems it safe to do so), the Government could work with airline and ferry companies to offer a defined number of subsidised flights and ferries from key markets such as North America, France and Germany.

Subsidised or free ferries may also be made available from the UK for a two week stay in Ireland between end of quarantine and end-December 2021.