

Exporters highlight insurance costs

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Soaring insurance costs and the harmful effects of the slump of sterling against the euro need to be addressed, the Irish Exporters' Association has said.



In its pre-budget submission, the industry group, which represents a wide range of small and large exporters based in Ireland, has also highlighted the shortage of housing.

It makes no specific reference to the controversy surrounding the EU ruling that Ireland must collect €13bn in back taxes from Apple, but does call for amendments in R&D tax credits for firms developing intellectual property.

On insurance, the IEA wants the Oireachtas to launch a study into the business costs of premiums in the UK and the rest of Europe, and set new limits on payouts of insurance claims.

The Government also needs to encourage new insurers to enter the market in the Republic, it says.

While welcoming the Government's plans to boost house building, the IEA says a "drastic" increase in supply and curbs on rent hikes are required to alleviate the pressures from the homes crisis on business competitiveness.

Broadband and mobile coverage infrastructure is inadequate across the country, it says.

It recommends the setting up by the National Treasury Management Agency of a "hedging" product to help Irish exporting firms exposed to the sharp fall in the value of sterling against the euro following the vote by the UK to quit the EU.

The fund would be run by the Strategic Banking Corporation of Ireland and commercial lenders.

In other measures to ameliorate the fallout from the Brexit vote, the IEA wants more funding for Enterprise Ireland and Bord Bia to promote firms in high-growth export markets, while embassies should be "resourced to ensure they are mandated specifically to deal with Irish exporters".

It also wants a new role to work with Government in promoting exports.

The submission calls for a freezing for three years of the minimum wage until the fallout of the Brexit is better known, warning that the UK is stepping up its game to attract foreign direct investment.