An Roinn Airgeadais
Department of Finance

# Response to Covid - Support Schemes
# Tax Strategy Group – 22/10

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Prepared by the Tax Division,
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**www.gov.ie/finance**

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# 1 Introduction and Economic Outlook

1. This is the third TSG paper on the response to Covid-19 which sets out a high-level overview of the main policy supports under the remit of the Department of Finance. The first iteration, Response to Covid 19 – TSG 20/01[1], outlined in broad detail the tax and Revenue response to the pandemic, the introduction of the TWSS, together with an overview of the tax measures provided for in the 'July Stimulus'. The second paper, Response to Covid 19 – TSG 21/01[2] provided an update on developments and extension of the supports as part of the Government's Economic Recovery Plan.

2. During the pandemic, Government deployed the public sector balance sheet on an unprecedented scale to insulate households and businesses from the effects of the pandemic and associated public health restrictions. Approximately €48 billion – around one-fifth of national income (GNI*) – was made available during the period 2020 to 2022 to reduce the short-term impact on incomes, boost the capacity of the health system and to limit long-term economic 'scarring'. However, unlike many countries, the majority of the support took the form of direct public expenditure: approximately €37 billion was made available in direct expenditure measures, while taxation measures accounted for a further c. €6 billion. The remaining approximately €5 billion was made up of 'below the line' measures such as loans and guarantees.

3. By far the largest components of the response to the pandemic were Government's three primary income support schemes:

   - the Employee Wage Subsidy Scheme (EWSS) (and its predecessor, the Temporary Wage Subsidy Scheme (TWSS)), which aimed to maintain the link between employer and employee by supporting wages,
   - the Pandemic Unemployment Payment (PUP), which provided aid to those who had lost their jobs as a result of the pandemic and associated restrictions, and
   - the Covid Restrictions Support Scheme (CRSS), which provided financial assistance to firms that were unable to trade as a result of the public health measures imposed.

   The cost of these schemes was significant: approximately €10.7 billion on the wage subsidy schemes (EWSS/TWSS), €9.2 billion was spent on the PUP, and €0.7 billion on the CRSS, but they achieved the key objective of protecting incomes and enabling the economy to bounce back rapidly once the pandemic had been brought under control.

4. Like most other countries, prior to the roll-out of mass vaccination, Ireland had been unable to successfully contain the virus without the introduction of social and economic restrictions which closed down much of the economy. As such, through 2020 economic performance largely moved in tandem with successive 'waves' of the virus, as high case numbers led to the introduction of more severe restrictions and related spikes in

[1] https://www.gov.ie/en/publication/fdd38-budget-2021-tsg-papers/
[2] https://www.gov.ie/en/collection/d6bc7-budget-2022-tax-strategy-group-papers/

unemployment and shocks to economic activity, with the inverse applying as waves subsided and restrictions could be loosened.

5. As consumers and businesses began to adapt to the new environment, and, crucially, mass vaccination, began to break this link as the pandemic continued. At the start of the current year, the vaccination programme, combined with a less virulent variant of the disease, allowed for the removal of public health restrictions and allowed for a sustained economic recovery, with the labour market rapidly returning to strength and consumer spending rebounding. Reflecting this, Government's three primary support schemes have now been fully unwound.

6. The fiscal response to the pandemic took a significant toll on the public finances. Ireland entered into the pandemic having recorded successive budgetary surpluses for the first time since the global financial crisis: at end-2019, the general government surplus was €1.8 billion, or 0.8 per cent of national income. By end-2020, this had deteriorated to a very large deficit of €18.4 billion, or 8.8 per cent of national income. A further deficit of €8.1 billion, or 3.6 per cent of national income, was recorded last year. Ireland's ratio of public debt to national income, which had been on a declining trajectory by 2019, increased substantially, reaching c. 106 per cent of national income last year.

7. The magnitude of State intervention during the pandemic placed a burden on future taxpayers by increasing the stock of public debt, but it is clear that the alternative would have been far worse. In the absence of fiscal support, the massive shock to the labour market may well have resulted in a collapse in personal incomes and consumer spending and, as a result, tax revenues, severely damaging the public finances and leading to a deep recession.

# 2 Wage Subsidy Schemes

## Wage Subsidy Schemes

8. In March 2020, Covid-19 had a sudden and profound impact on the Irish economy with the introduction of public health restrictions across all sectors of the economy, except for those businesses classified as essential services. In response, the TWSS was introduced on 26 March 2020, with the objective of supporting viable firms and maintaining the relationship between employers and their employees.

9. At the outset, it was expected that the TWSS would be in place for a period of twelve weeks. However, given the novel circumstances and the evolution of the situation, it was soon recognised that the measure should remain in place until 31 August 2020.

10. The TWSS was replaced by the EWSS with effect from 01 September 2020. The EWSS continued to operate as an economy wide support until the scheme ended on 31 May 2022. A wage subsidy scheme was in operation for over two years; throughout the duration of the pandemic and remained in place for some time after the removal of all public health restrictions.

11. The wage subsidy schemes have been a central pillar of the Government's response to the Covid-19 pandemic. The total level of support provided to date by the wage subsidy schemes was unprecedented at over €10.67 billion; €2.8 billion in respect of TWSS and €7.87 billion in relation to EWSS. The TWSS supported 67,000 employers in respect of almost 690,000 employees. The EWSS supported 51,800 employers in respect of almost 746,000 employees. This represents a substantial intervention by Government that assisted in mitigating the effects of the pandemic on the economy.

12. A detailed account of the TWSS and an overview of the introduction of the EWSS was outlined in the Tax Strategy Group Paper 20/01, Response to Covid-19[3] and Tax Strategy Group Paper 21/01, Response to Covid-19[4], respectively.

13. The focus of this section of the current paper is on the EWSS, specifically the evolution of the scheme over its last eighteen months in response to the public health situation and the continuation of the support for businesses and preserving employment.

[3] https://www.gov.ie/en/publication/fdd38-budget-2021-tsg-papers/
[4] https://www.gov.ie/en/collection/d6bc7-budget-2022-tax-strategy-group-papers/

## Employment Wage Subsidy Scheme (EWSS)

14. The EWSS was at the heart of the financial supports provided by the Government in response to the Covid-19 crisis. The scheme operated across all sectors on an economy-wide basis. The EWSS played a central role in supporting businesses, encouraging employment and helping to maintain the link between employers and employees. The scheme was straight forward and simple in its design and operation.

15. The scheme had two main elements as follows:
    - It provided a subsidy to qualifying employers based on the numbers of paid and eligible employees on the employer's payroll[5]; and
    - It incorporated a reduced rate of employer PRSI of 0.5 per cent on wages paid which were eligible for the subsidy payment[6].

16. Broadly, the primary qualifying criterion for the EWSS was that the employer had to demonstrate that they were operating at no more than 70 per cent of the turnover level of the employer's business or the customer orders received by the employer, by reference to a set assessment period, and that this disruption was caused by Covid-19. The business also had to possess a valid tax clearance certificate.

17. The EWSS maintained these broad parameters throughout the duration of the scheme and as such it provided certainty to businesses. In addition, the scheme was capable of adaption as necessary, while maintaining its inherent simplicity and easy to understand principles and application.

18. In response to the evolving public health circumstances and in acknowledgement of the key role played by EWSS in supporting employment and preserving the vital link between employers and employees, the scheme was extended and enhanced/modified on a number of occasions through different legislative vehicles. The agility of the scheme in delivering appropriate policy responses to the evolving circumstances show that the EWSS was a highly responsive and successful policy intervention.

19. The success of the scheme is clearly evident by the employments supported, how quickly the economy adapted and recovered following the lifting of public health restrictions and the overall resilience of the income tax receipts.

## Evolution of EWSS

20. The EWSS commenced on 01 September 2020[7], as a two-rate subsidy scheme, that would operate until 31 March 2021, with the option to extend the scheme until 30 June 2021 by way of Ministerial Order and subject to certain procedural requirements as set out in the legislation.

[5] See paragraph 28 for full details of the subsidy rates in place across the duration of the scheme
[6] As part of the exit strategy for EWSS, the full rate of Employers' PRSI was restored with effect from 1 March 2022
[7] EWSS was introduced in the Financial Provisions (Covid-19) (No.2) Act 2020. It commenced from 1 July 2020 in respect of newly or seasonally hired employees that were not previously included in the TWSS.

21. In October 2020, against the backdrop of the imposition of Level 5 public health restrictions, the rates of EWSS subsidy were enhanced to achieve better alignment with the PUP rates and to mitigate against the risk of migration of employees from the EWSS to the PUP. The enhanced rates initially applied from 20 October 2020 to 31 January 2021 and were subsequently extended to 30 June 2021[8] and ultimately remained in place until 31 January 2022 for most businesses[9].

22. As part of the Government's Economic Recovery Plan announced on 01 June 2021, EWSS was extended to 31 December 2021[10] (with the option to extend to 30 June 2022 by Ministerial Order). While it was considered appropriate to extend the EWSS to the end of 2021, it was considered prudent to only specify the precise operating parameters of the scheme for Q3 2021; decisions in relation to Q4 2021 were to be taken closer to the time, with the benefit of more up-to-date information on a number of variables.

23. Broadly, for Q3 2021, it was decided to maintain the status quo for EWSS, including the enhanced rates of support. In addition, the reference period of assessment was broadened out so that for determining eligibility for the scheme, turnover in the full year 2021 was compared against its turnover in the full year 2019[11]. This change acknowledged the potentially fragile nature of businesses in certain sectors as they emerged from the impact of public health restrictions in mid-2021 and it was intended to ensure that such businesses could continue to benefit from the EWSS and were not precluded from the scheme because their business picked up during the third quarter, with the broad reopening of the economy.

24. As part of Budget 2022, it was announced, that the EWSS would be extended, in graduated form, until 30 April 2022. The following broad parameters applied[12]:
    - For December 2021 to February 2022, the original two rates of subsidy per employee per week (€151.50 and €203) would be reinstated in place of the then enhanced rate structure.
    - From March and April 2022, a single flat rate of €100 per week would apply.
    - The reduced rate of Employers' PRSI (0.5 per cent) continued to apply until the end of February 2022. The full Employers' PRSI contribution was reintroduced from 01 March 2022 until the scheme ended.
    - Overall, there was no change in qualifying criteria. However, the scheme closed to new employer entrants with effect from 01 January 2022. Businesses that qualified for entry to the scheme as at the last day of December 2021 could continue to avail of the EWSS until 30 April 2022.

[8] The enhanced rates of subsidy were extended to 31 March 2022 by S.I. No. 50 of 2021. The EWSS and the enhanced rates were further extended to 30 June 2021 by S.I. No 221 of 2021 and the Finance (Covid-19 and Miscellaneous Provisions) Act 2021.
[9] Businesses that were directly impacted by the public health regulations introduced in late December 2021, remained on the enhanced rates of subsidy until 28 February 2022.
[10] Extension provided for in the Finance (Covid-19 and Miscellaneous Provisions) Act 2021.
[11] Prior to this change the reference period was a six month period of assessment, for example a 30 per cent reduction in turnover/customer orders between January 2021 and June 2021 compared to January 2019 and June 2019.
[12] Provided for by Finance Act 2021.

25. These arrangements were later enhanced in response to the public health situation, with the extension of the enhanced rates of subsidy for a further two months (across December 2021 and January 2022) as announced on 09 December 2021[13]. The extension of the enhanced rates of subsidy was to give certainty to businesses.

26. Some further enhancements to EWSS were subsequently announced, in response to the evolving public health situation and the re-imposition of certain public health restrictions. Firstly, the scheme was re-opened for certain businesses who would not otherwise be eligible as announced on 21 December 2021[14]. These new arrangements provided employers who previously availed of EWSS but who were no longer eligible with the opportunity to re-qualify for the scheme where they met certain conditions. Employers that qualified for re-entry to the scheme received support on a prospective basis from 01 January 2022 onwards, and they could remain in the scheme until its expiry date.

27. Secondly, enhanced support was provided to businesses that were directly impacted by the public health regulations introduced in late December 2021, with such businesses receiving additional support under the scheme for a further month, as announced on 21 January 2022[15]. There was a delay in the step down arrangements for such firms who continued to receive support until 31 May 2022, to assist those businesses as they fully re-opened and emerged from the public health restrictions.

28. The following tables show the EWSS rates of subsidy that were in effect from the commencement of the scheme until its expiry. Table A sets out the subsidy rates for businesses that were not directly impacted by the Public Health Regulations and Table B sets out the subsidy rates for businesses that were directly impacted by the Public Health Regulations. The differences between both are that a business that was impacted by the Public Health Regulations remained on the higher rates of subsidy for an additional month (February 2022) and was entitled to claim the subsidy for an additional month to the end of May 2022, rather than to the end of April 2022 as was the case for businesses that were not directly affected by the Public Health Regulations.

[13] https://www.gov.ie/en/press-release/1a168-ministers-donohoe-and-mcgrath-announces-update-on-business-supports/ Provided for in Finance Act 2021
[14] https://www.gov.ie/en/press-release/bf5d1-government-announces-significant-expansion-of-supports-for-businesses-affected-by-the-latest-public-health-restrictions/ *
[15] https://www.gov.ie/en/press-release/7d402-minister-donohoe-announces-changes-to-economic-supports-for-businesses-most-impacted-by-recent-public-health-restrictions/ *
* Provided for in Finance (Covid-19 and Miscellaneous Provisions) Act 2022

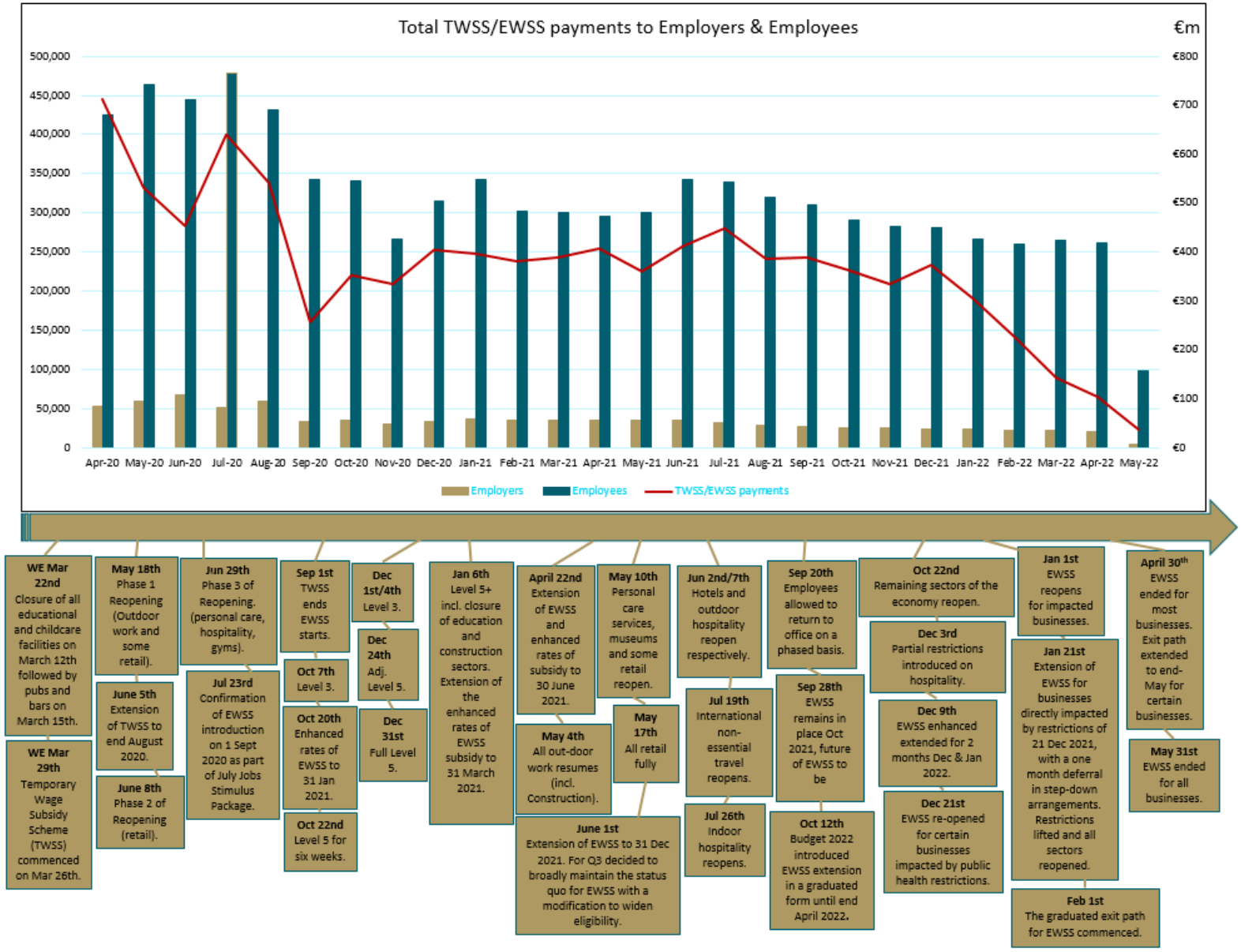
**Table A – EWSS Rates for Businesses that were not directly impacted by certain Public Health Regulations introduced in late December 2021**

| Weekly Pay | 20 October 2020 – 31 January 2022 | 01 July 2020 – 19 October 2020 and 1 February 2022 – 28 February 2022 | 01 March 2022 – 30 April 2022 |
|---|---|---|---|
| Less than €151.50 | Nil | Nil | Nil |
| €151.50 - €202.99 | €203 | €151.50 | €100 |
| €203 - €299.99 | €250 | €203 | €100 |
| €300 - €399.99 | €300 | €203 | €100 |
| €400 - €1,462 | €350 | €203 | €100 |
| Over €1,462 | Nil | Nil | Nil |

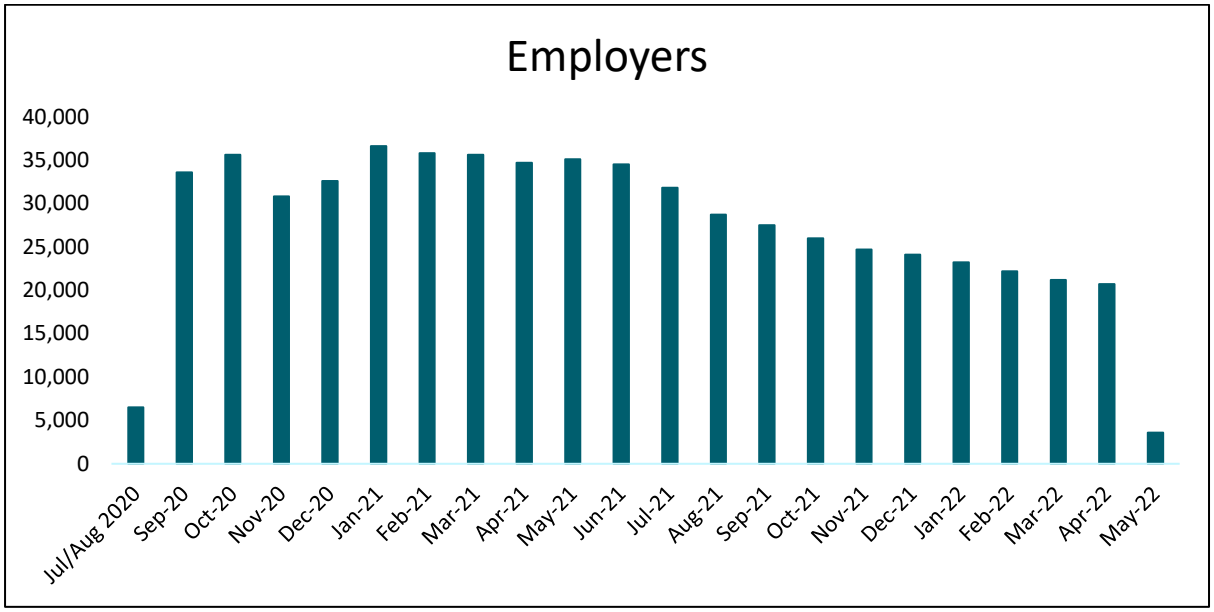
**Table B - EWSS Rates for Businesses that were directly impacted by certain Public Health Regulations introduced in late December 2021**

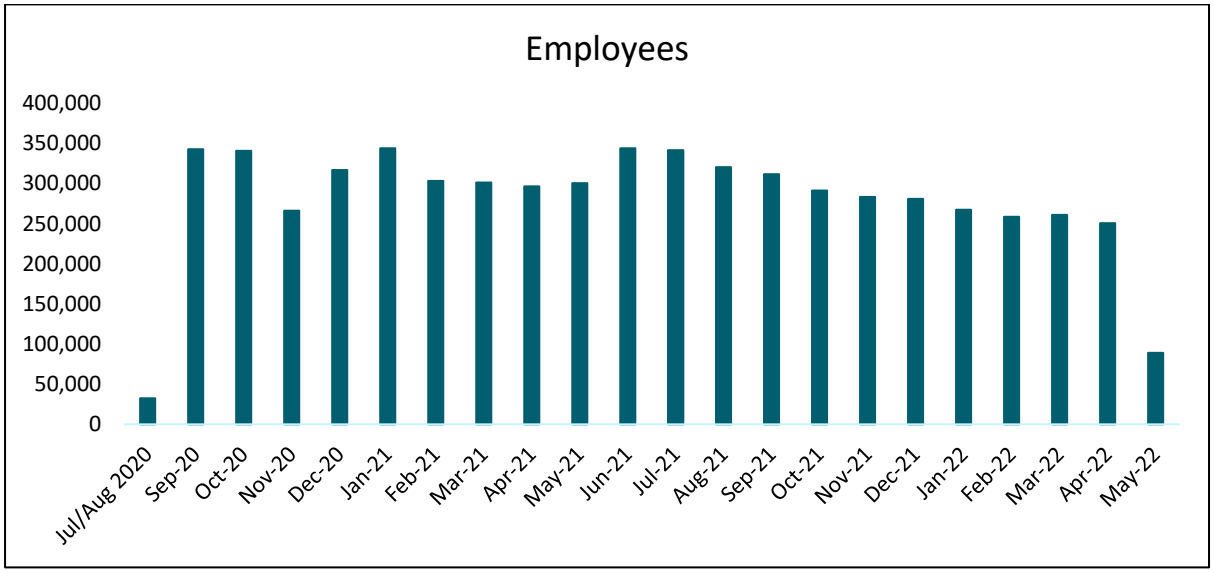
| Weekly Pay | 20 October 2020 – 28 February 2022 | 01 July 2020 – 19 October 2020 and 1 March 2022 – 31 March 2022 | 01 April 2022 – 31 May 2022 |
|---|---|---|---|
| Less than €151.50 | Nil | Nil | Nil |
| €151.50 - €202.99 | €203 | €151.50 | €100 |
| €203 - €299.99 | €250 | €203 | €100 |
| €300 - €399.99 | €300 | €203 | €100 |
| €400 - €1,462 | €350 | €203 | €100 |
| Over €1,462 | Nil | Nil | Nil |

29. The following graph shows the EWSS timeline since introduction and maps the number of employment supports and the subsidy payments.


Total TWSS/EWSS payments to Employers & Employees
€m
500,000
450,000
400,000
350,000
300,000
250,000
200,000
150,000
100,000
50,000
0
€800
€700
€600
€500
€400
€300
€200
€100
€0
Apr-20 May-20 Jun-20 Jul-20 Aug-20 Sep-20 Oct-20 Nov-20 Dec-20 Jan-21 Feb-21 Mar-21 Apr-21 May-21 Jun-21 Jul-21 Aug-21 Sep-21 Oct-21 Nov-21 Dec-21 Jan-22 Feb-22 Mar-22 Apr-22 May-22
Employers
Employees
TWSS/EWSS payments
WE Mar 22nd Closure of all educational and childcare facilities on March 12th followed by pubs and bars on March 15th.
WE Mar 29th Temporary Wage Subsidy Scheme (TWSS) commenced on Mar 26th.
May 18th Phase 1 Reopening (Outdoor work and some retail).
June 5th Extension of TWSS to end August 2020.
June 8th Phase 2 of Reopening (retail).
Jun 29th Phase 3 of Reopening. (personal care, hospitality, gyms).
Jul 23rd Confirmation of EWSS introduction on 1 Sept 2020 as part of July Jobs Stimulus Package.
Sep 1st TWSS ends EWSS starts.
Oct 7th Level 3.
Oct 20th Enhanced rates of EWSS to 31 Jan 2021.
Oct 22nd Level 5 for six weeks.
Dec 1st/4th Level 3.
Dec 24th Adj. Level 5.
Dec 31st Full Level 5.
Jan 6th Level 5+ incl. closure of education and construction sectors. Extension of the enhanced rates of EWSS subsidy to 31 March 2021.
April 22nd Extension of EWSS and enhanced rates of subsidy to 30 June 2021.
May 4th All out-door work resumes (incl. Construction).
May 10th Personal care services, museums and some retail reopen.
May 17th All retail fully
June 1st Extension of EWSS to 31 Dec 2021. For Q3 decided to broadly maintain the status quo for EWSS with a modification to widen eligibility.
Jun 2nd/7th Hotels and outdoor hospitality reopen respectively.
Jul 19th International non-essential travel reopens.
Jul 26th Indoor hospitality reopens.
Sep 20th Employees allowed to return to office on a phased basis.
Sep 28th EWSS remains in place Oct 2021, future of EWSS to be
Oct 12th Budget 2022 introduced EWSS extension in a graduated form until end April 2022.
Oct 22nd Remaining sectors of the economy reopen.
Dec 3rd Partial restrictions introduced on hospitality.
Dec 9th EWSS enhanced extended for 2 months Dec & Jan 2022.
Dec 21st EWSS re-opened for certain businesses impacted by public health restrictions.
Jan 1st EWSS reopens for impacted businesses.
Jan 21st Extension of EWSS for businesses directly impacted by restrictions of 21 Dec 2021, with a one month deferral in step-down arrangements. Restrictions lifted and all sectors reopened.
Feb 1st The graduated exit path for EWSS commenced.
April 30th EWSS ended for most businesses. Exit path extended to end-May for certain businesses.
May 31st EWSS ended for all businesses.

30. The charts below provide a breakdown of employers and employees supported by EWSS[16].




[16] Preliminary figures 23 June 2022

# Uptake and Cost of EWSS

31. By its nature the EWSS was a demand led scheme and the cost is driven by the number of employers and employees supported by the scheme. Throughout the duration of the EWSS, 51,800 businesses and 745,700 employees have been supported by the scheme. The total cost to date is €7.87 billion, comprising of €6.84 billion in subsidy payments and €1.03 billion in PRSI credit.

32. For most businesses and employees who remained on the scheme (c.17,000 businesses and c.163,500 employees) the scheme ceased on 30 April 2022[17]. For a smaller cohort (3,800 businesses and 97,700 employees) the scheme ended on 31 May 2022[18]. These were businesses that were directly impacted by the public health regulations introduced in December 2021 and, as such, were availing of the enhanced EWSS arrangements. They were predominately in the hospitality sector (83 per cent), with a smaller number in the arts, entertainment and recreation sector (5 per cent) and the wholesale and retail sector (2 per cent).

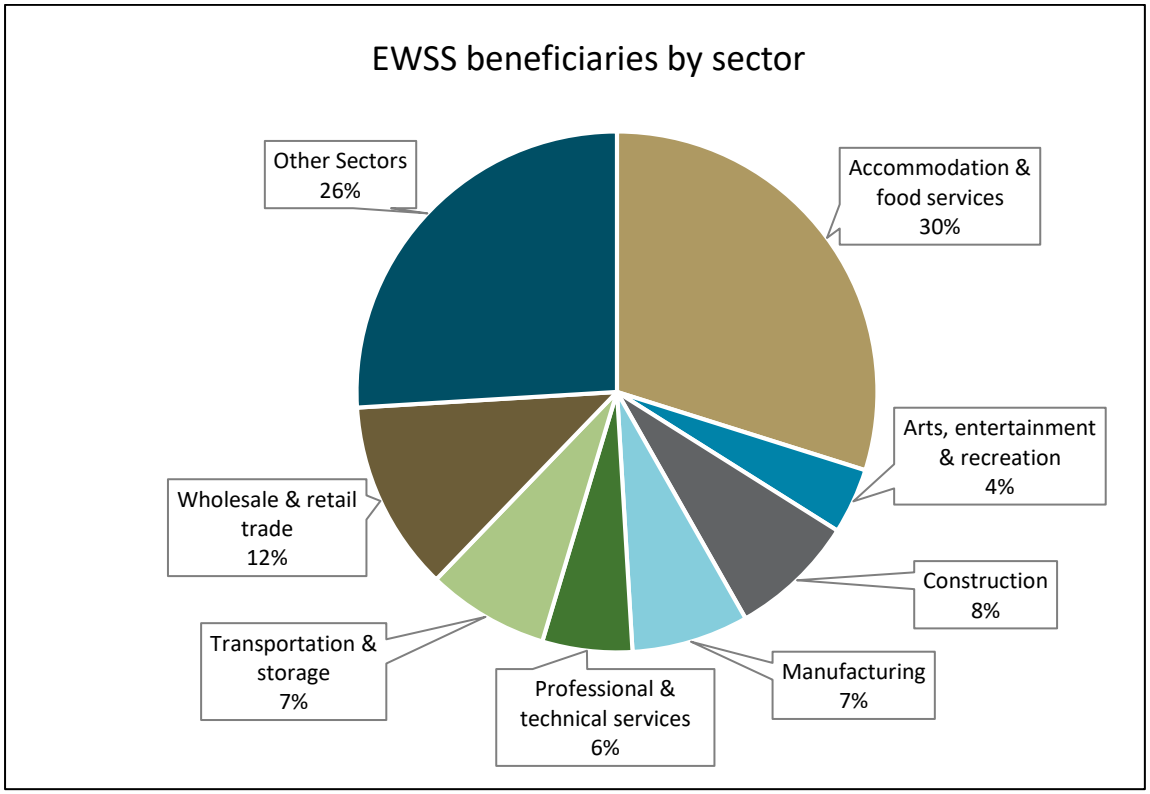
33. The table below provides further detail on the monthly costs of the scheme since inception, together with details of the employers and employees supported by the scheme.

| Claim Month | EWSS Payments | PRSI Forgone [19] | Employers | Employees |
|---|---|---|---|---|
| Jul/Aug-20[20] | €34.7 | €7.3 | 6,500 | 32,300 |
| Sep-20 | €255.4 | €60.8 | 33,500 | 342,300 |
| Oct-20 | €352.9 | €64.4 | 35,500 | 340,100 |
| Nov-20 | €333.5 | €51.5 | 30,700 | 265,700 |
| Dec-20 | €404.9 | €62.0 | 32,500 | 315,100 |
| Jan-21 | €396.2 | €60.6 | 36,500 | 343,200 |
| Feb-21 | €379.7 | €58.6 | 35,700 | 302,800 |
| Mar-21 | €389.2 | €60.3 | 35,400 | 300,400 |
| Apr-21 | €406.6 | €62.8 | 34,500 | 295,600 |
| May-21 | €361.3 | €55.2 | 35,000 | 299,800 |
| Jun-21 | €412.0 | €61.9 | 34,400 | 343,100 |
| Jul-21 | €448.1 | €65.2 | 31,700 | 340,000 |
| Aug-21 | €387.4 | €56.5 | 28,600 | 319,400 |
| Sep-21 | €389.7 | €57.0 | 27,300 | 310,800 |
| Oct-21 | €362.5 | €52.6 | 25,900 | 290,700 |
| Nov-21 | €335.0 | €49.0 | 24,700 | 283,100 |
| Dec-21 | €374.0 | €55.0 | 24,000 | 280,300 |
| Jan-22 | €306.3 | €44.5 | 23,200 | 267,000 |
| Feb-22 | €224.4 | €44.3 | 22,200 | 259,500 |
| Mar-22 | €142.4 | €0.0 | 21,500 | 264,400 |
| Apr-22 | €103.3 | €0.0 | 20,800 | 261,200 |
| May-22 | €36.6 | €0.0 | 3,800 | 97,700 |
| **All Months** | **€6,836.2** | **€1,029.7** | **51,800** | **745,700** |

[17] Indicative figures; difference between April 2022 and May 2022 provisional figures
[18] Preliminary figures
[19] A reduced rate of employer's PRSI of 0.5 per cent is charged on wages paid before 1 March 2022
[20] This relates to EWSS claims in respect of newly or seasonally hired employees who were ineligible for the TWSS

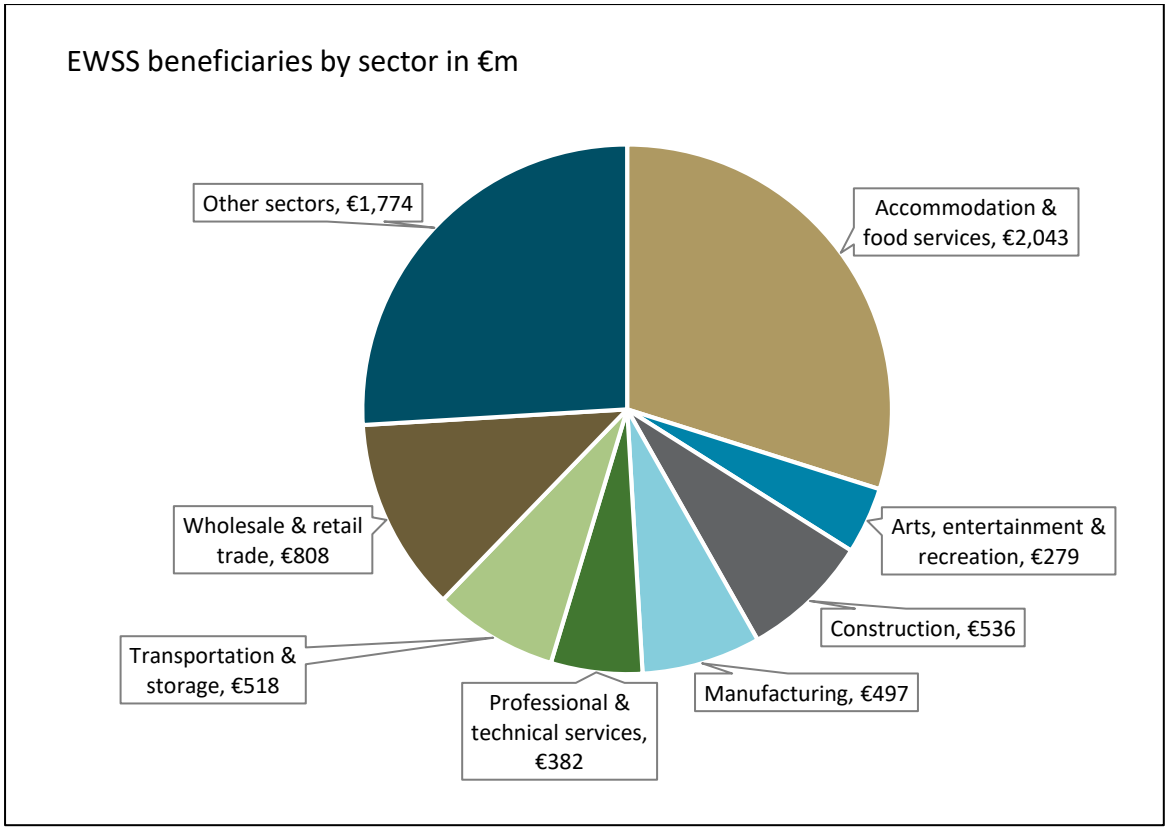
# Beneficiaries of EWSS

34. Sectoral data show that support was appropriately calibrated towards the most vulnerable businesses throughout the duration of the scheme. As shown below, the accommodation and food services sector received the largest share of EWSS payments, at 30 per cent of the total amount paid. The wholesale and retail sector received the second largest share at 12 per cent. The construction sector received 8 per cent, and the transportation and storage sector and manufacturing both received 7 per cent, professional and technical services received 6 per cent and the arts, entertainment and recreation sector received 4 per cent of total EWSS payments. The remaining 26 per cent of the total payments was spread across a broad range of other sectors as set out below the chart[21].

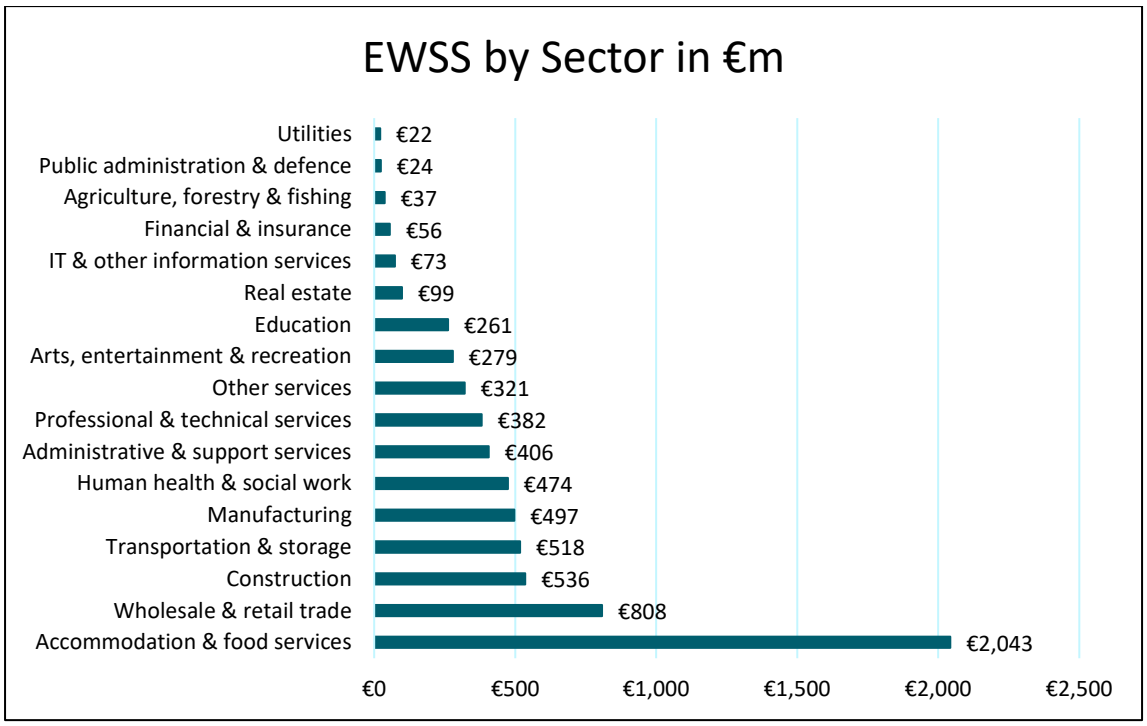



* Other sectors includes: Administrative & support services (6 per cent), Agriculture, Forestry & Fishing (1 per cent), Education (4 per cent), Utilities and Financial and Insurance (1 per cent), Human Health & Social Welfare (7 per cent), IT & other Information Services (1 per cent), Public Administration & Defence, Real Estate and Other Services (6 per cent).

[21] Data as at 23 June 2022 and subject to rounding

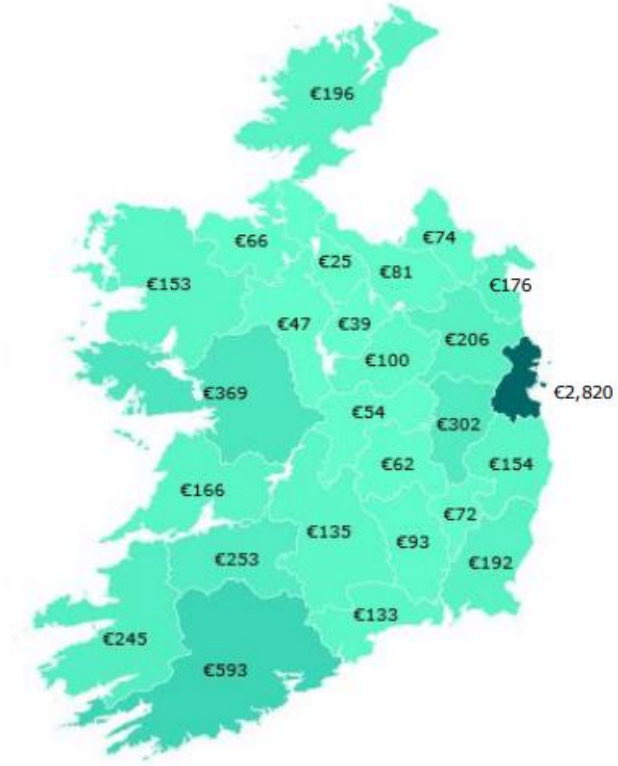



The chart below breaks down the data further setting out the total EWSS payments for all sectors of the economy[22].




[22] Data as at 23 June 2022

Beneficiaries of the EWSS were located throughout the country as shown below:



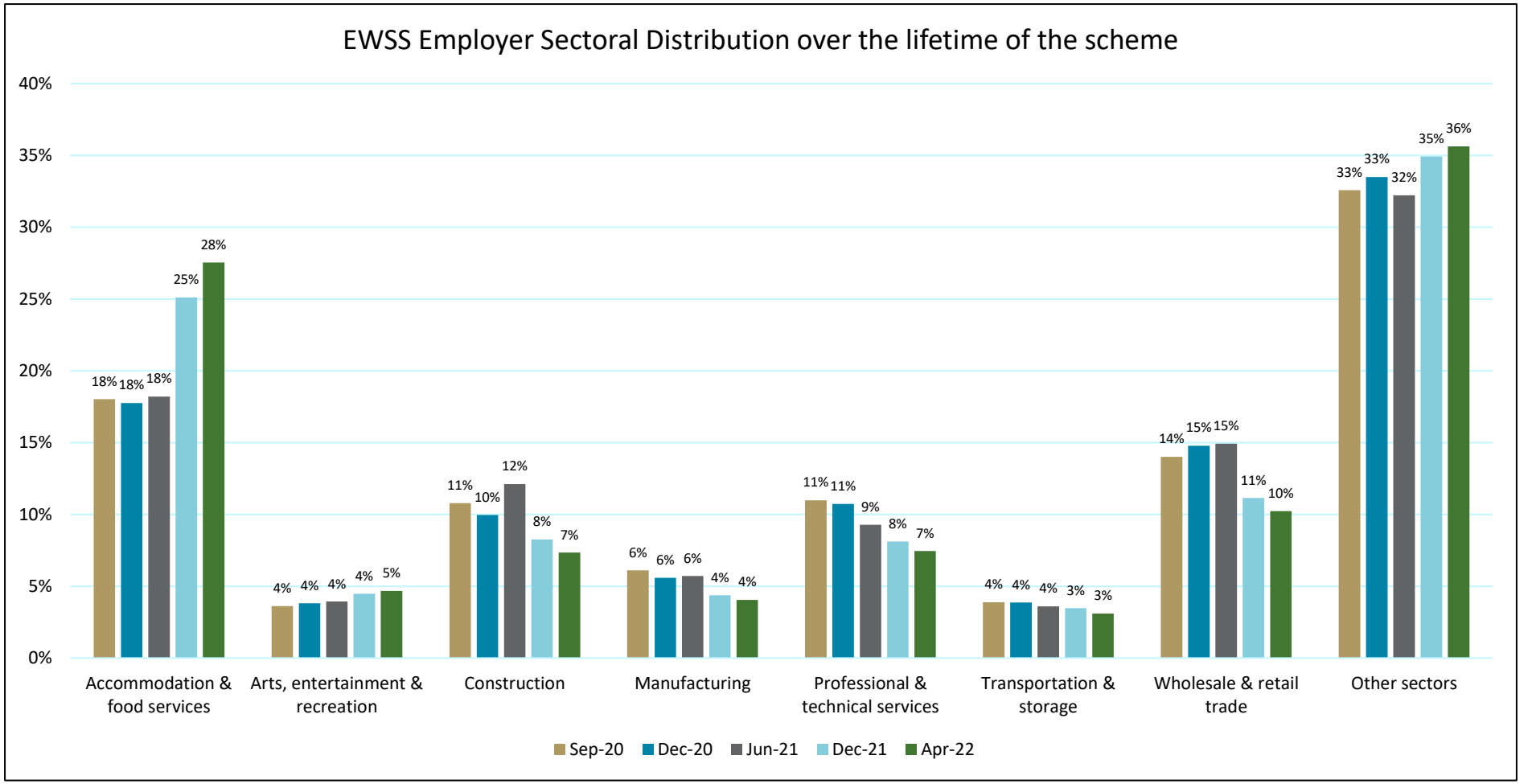

Figures in €m

## Sectoral Distribution of Employers and Employees

35. The EWSS played a crucial role in preserving employment and incomes and supporting businesses at a very challenging time during the pandemic. As an economy wide scheme, it supported businesses and employees in all sectors in the economy. Unsurprisingly, due to the impact of the pandemic on specific sectors and as shown in the following charts, the scheme supported employers and employees in certain sectors to a greater extent.

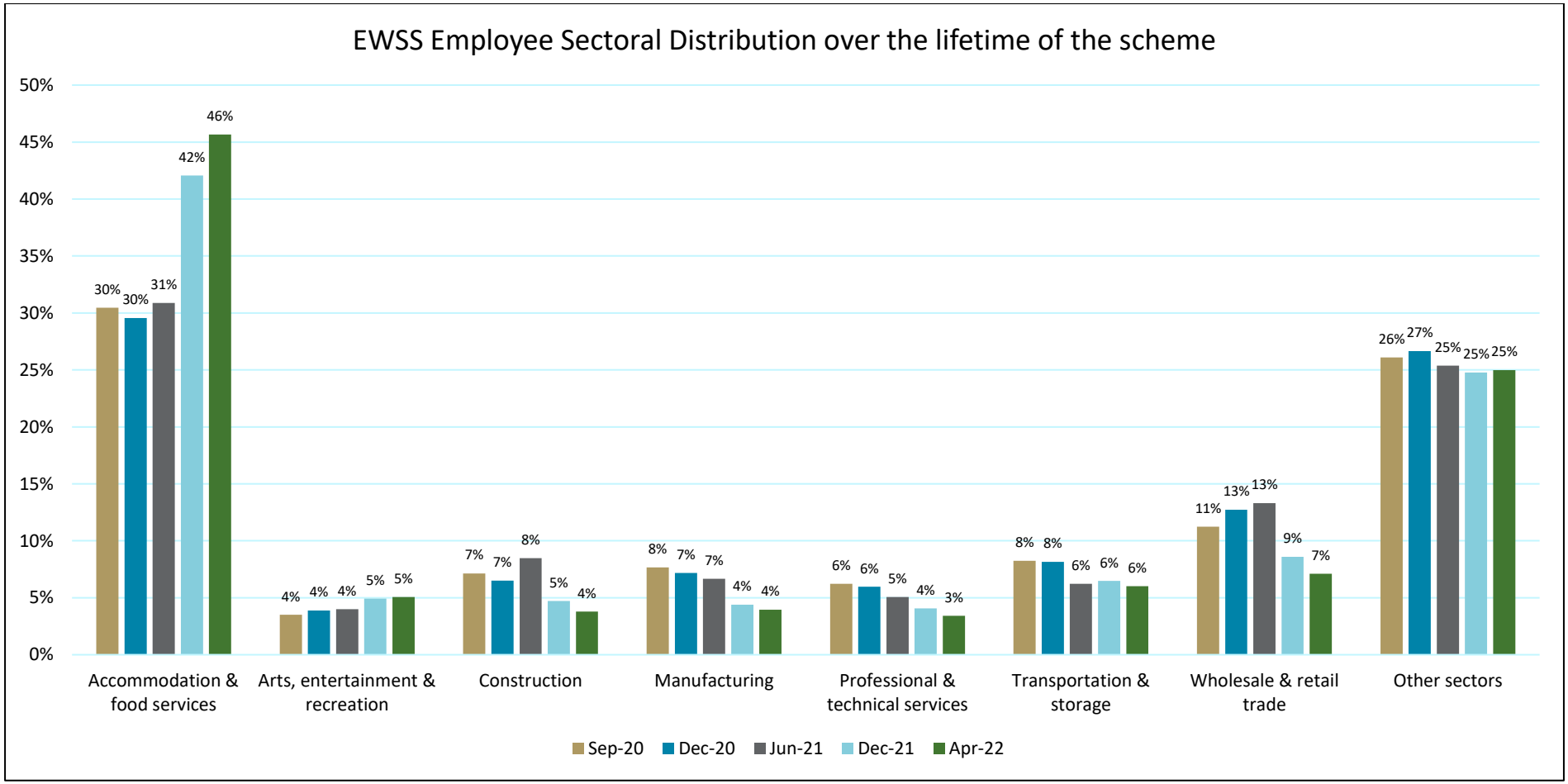
36. Broadly across the lifetime of the scheme, the highest proportion of employers were in the accommodation and food services sector, the wholesale and retail trade sector and the construction sector. This was followed by employers in the professional and technical services sector, the education sector, the manufacturing sector, the arts, entertainment and recreation sector and the transportation and storage sector.

37. With regard to employees, the accommodation and food services sector was consistently the largest sector supported by the scheme; with double and at times almost triple the number of employments support compared to the next largest sector, the wholesale and retail trade sector. This was followed by the construction, the human health and social work sector, transportation and storage, manufacturing, administration and support services, professional and technical services and arts, entertainment and recreation sectors.




[23]

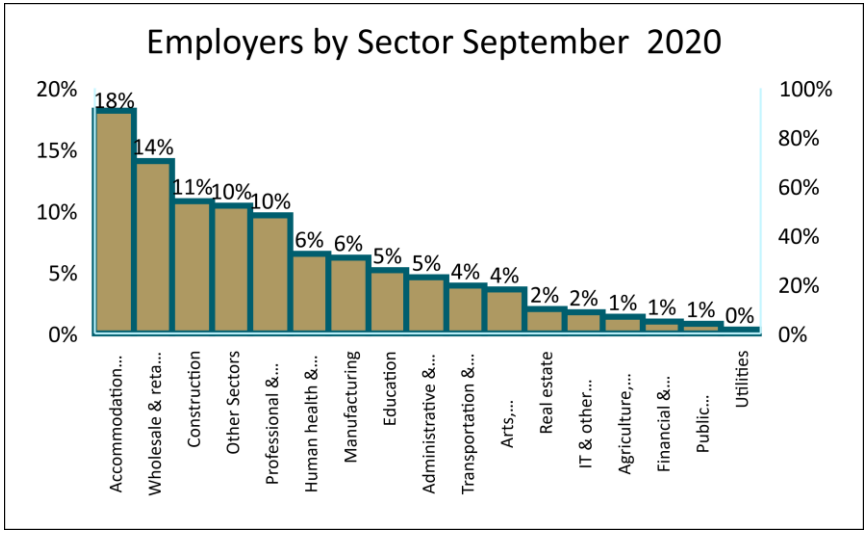
[23] Other sectors includes Administrative & support services, Agriculture, forestry & fishing, Education, Utilities, Financial and Insurance, Human Health & Social Welfare, IT & other Information Services, Public administration & defence, Real Estate and other services

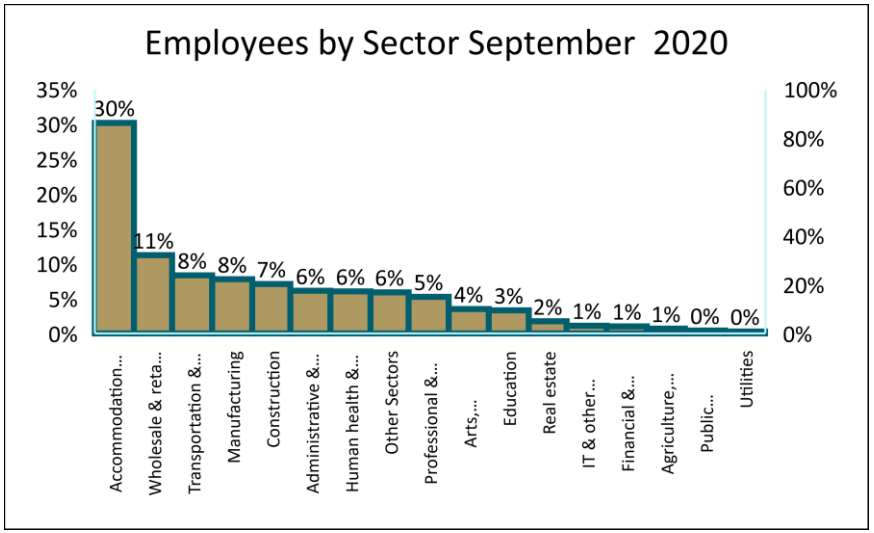



[24]

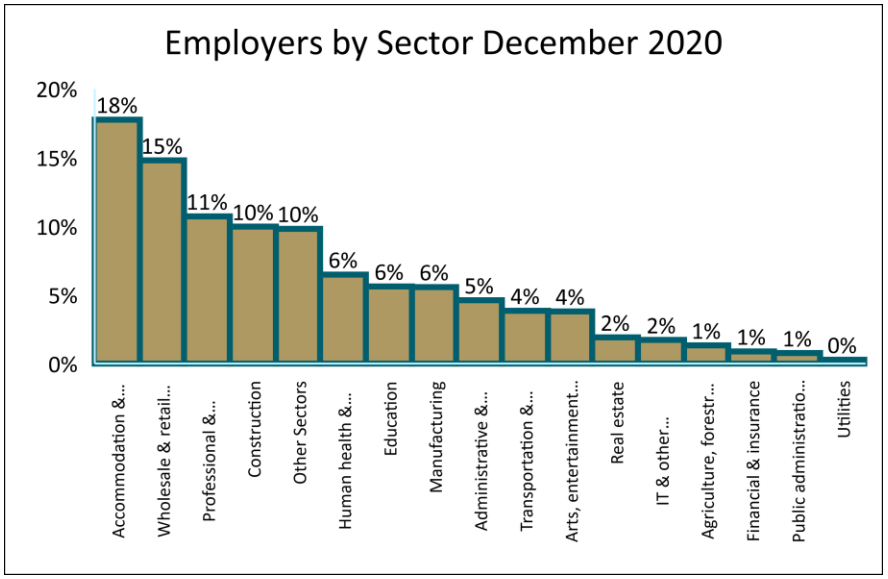
[24] Other sectors includes Administrative & support services, Agriculture, forestry & fishing, Education, Utilities, Financial and Insurance, Human Health & Social Welfare, IT & other Information Services, Public administration & defence, Real Estate and other services

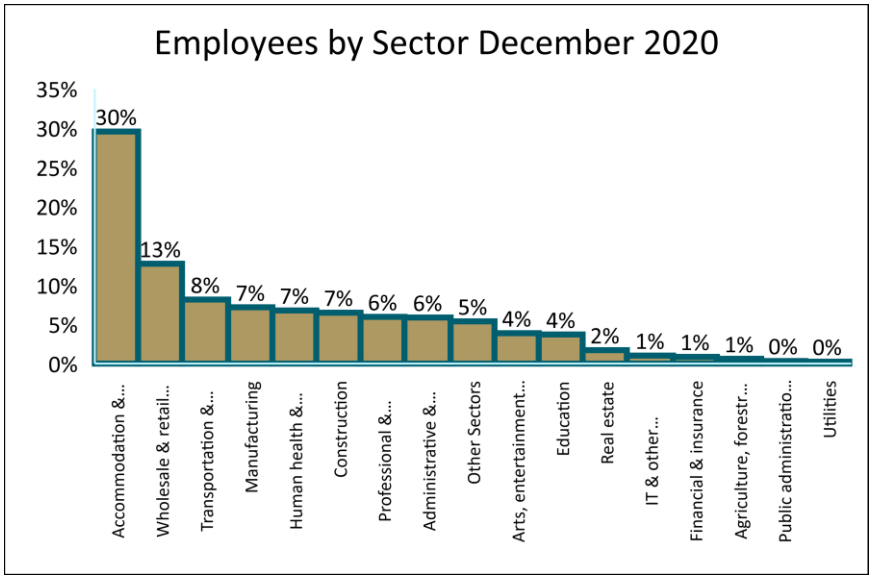
38. The following graphs provide further detail on the composition of employers and employees supported by the EWSS at certain points in time during the scheme. For example in September 2020 when EWSS commenced, in December 2020 during the public health restrictions, in June 2021 just before the general re-opening of most of the economy, in December 2021 where employers who were eligible for EWSS could continue to be supported and in April 2022 when the scheme ended for most businesses.[25]

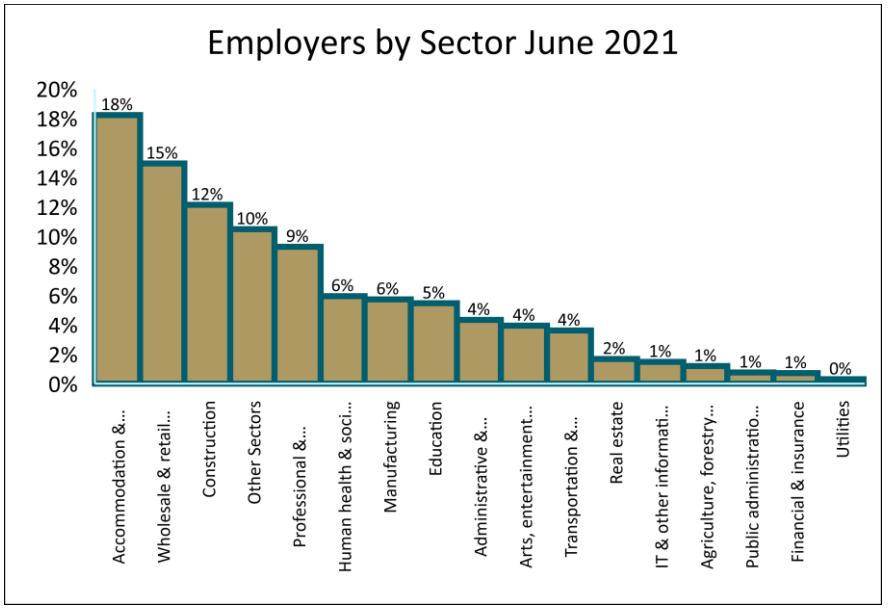


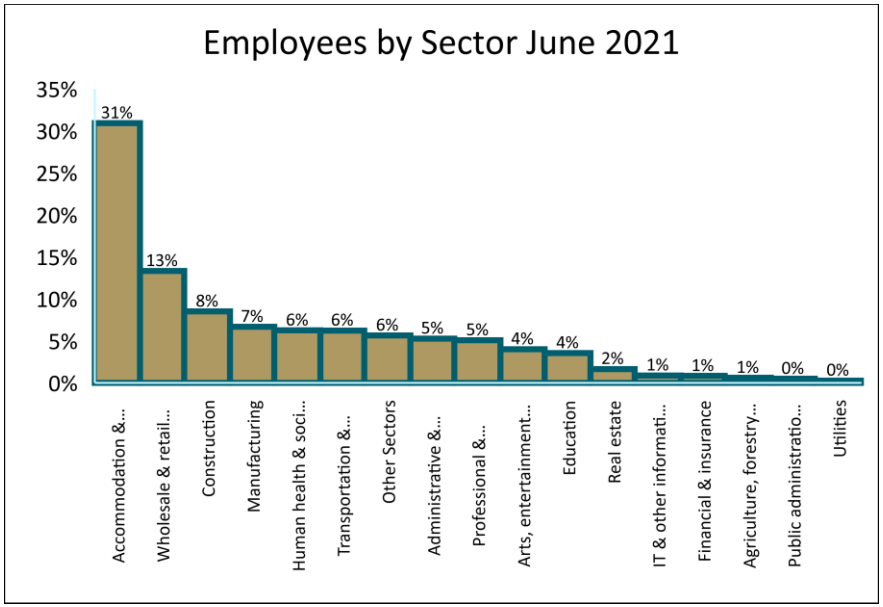



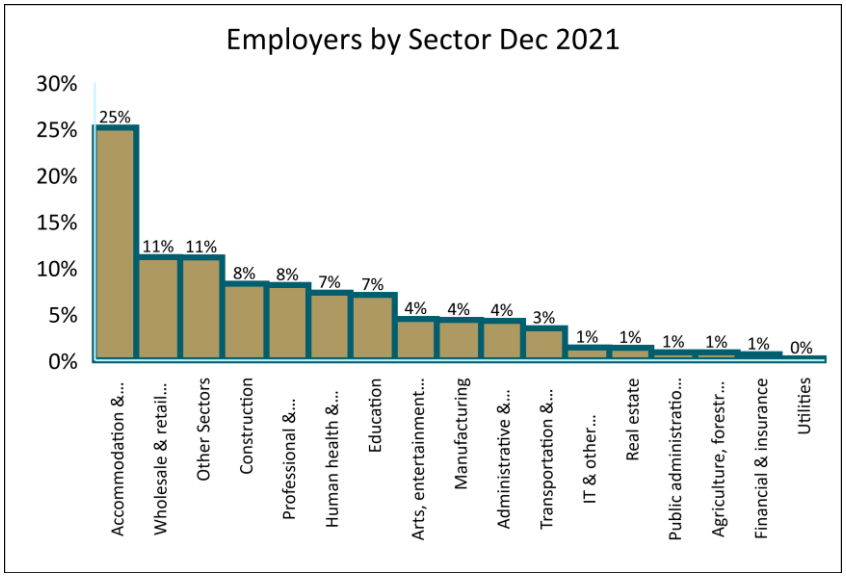

[25] All percentages are rounded to the nearest whole number

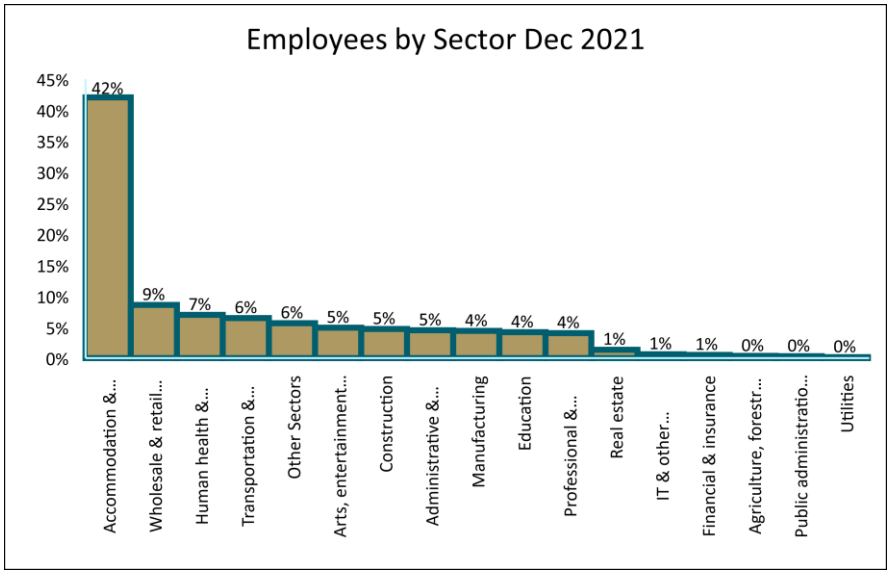

Employers by Sector December 2020
20%
15%
10%
5%
0%
18%
15%
11%
10%
10%
6%
6%
6%
5%
4%
4%
2%
2%
1%
1%
1%
0%
Accommodation &...
Wholesale & retail...
Professional &...
Construction
Other Sectors
Human health &...
Education
Manufacturing
Administrative &...
Transportation &...
Arts, entertainment...
Real estate
IT & other...
Agriculture, forestr...
Financial & insurance
Public administratio...
Utilities

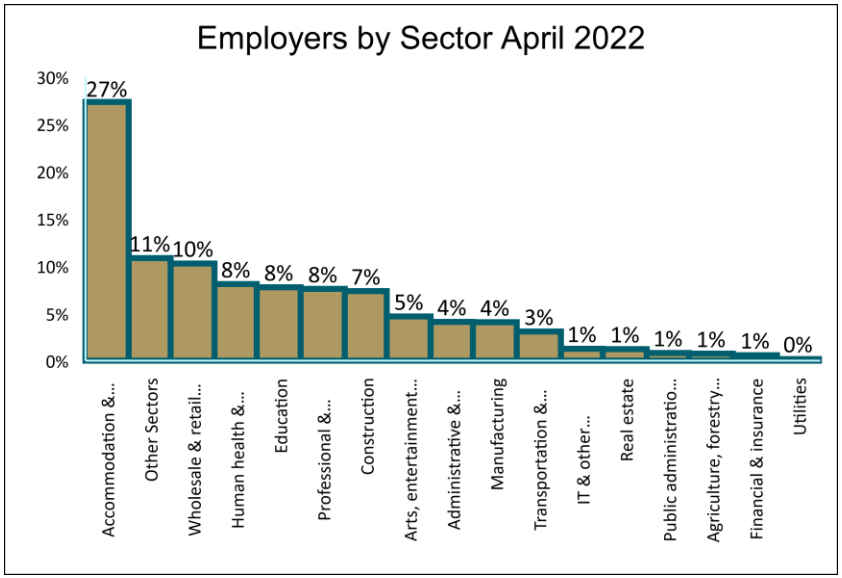

Employees by Sector December 2020
35%
30%
25%
20%
15%
10%
5%
0%
30%
13%
8%
7%
7%
7%
6%
6%
5%
4%
4%
2%
1%
1%
1%
0%
0%
Accommodation &...
Wholesale & retail...
Transportation &...
Manufacturing
Human health &...
Construction
Professional &...
Administrative &...
Other Sectors
Arts, entertainment...
Education
Real estate
IT & other...
Financial & insurance
Agriculture, forestr...
Public administratio...
Utilities

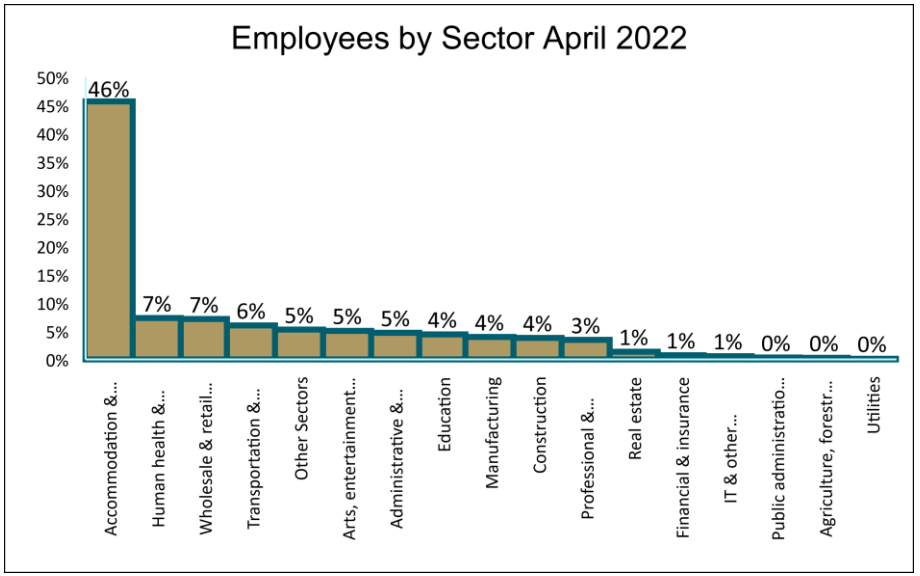

Employers by Sector June 2021
20%
18%
16%
14%
12%
10%
8%
6%
4%
2%
0%
18%
15%
12%
10%
9%
6%
6%
5%
4%
4%
4%
2%
1%
1%
1%
1%
0%
Accommodation &...
Wholesale & retail...
Construction
Other Sectors
Professional &...
Human health & soci...
Manufacturing
Education
Administrative &...
Arts, entertainment...
Transportation &...
Real estate
IT & other informati...
Agriculture, forestry...
Public administratio...
Financial & insurance
Utilities


Employees by Sector June 2021
35%
30%
25%
20%
15%
10%
5%
0%
31%
13%
8%
7%
6%
6%
6%
5%
5%
4%
4%
2%
1%
1%
1%
0%
0%
Accommodation &...
Wholesale & retail...
Construction
Manufacturing
Human health & soci...
Transportation &...
Other Sectors
Administrative &...
Professional &...
Arts, entertainment...
Education
Real estate
IT & other informati...
Financial & insurance
Agriculture, forestry...
Public administratio...
Utilities


Employers by Sector Dec 2021
30%
25%
20%
15%
10%
5%
0%
25%
11%
11%
8%
8%
7%
7%
4%
4%
4%
3%
1%
1%
1%
1%
1%
0%
Accommodation &...
Wholesale & retail...
Other Sectors
Construction
Professional &...
Human health &...
Education
Arts, entertainment...
Manufacturing
Administrative &...
Transportation &...
IT & other...
Real estate
Public administratio...
Agriculture, forestr...
Financial & insurance
Utilities

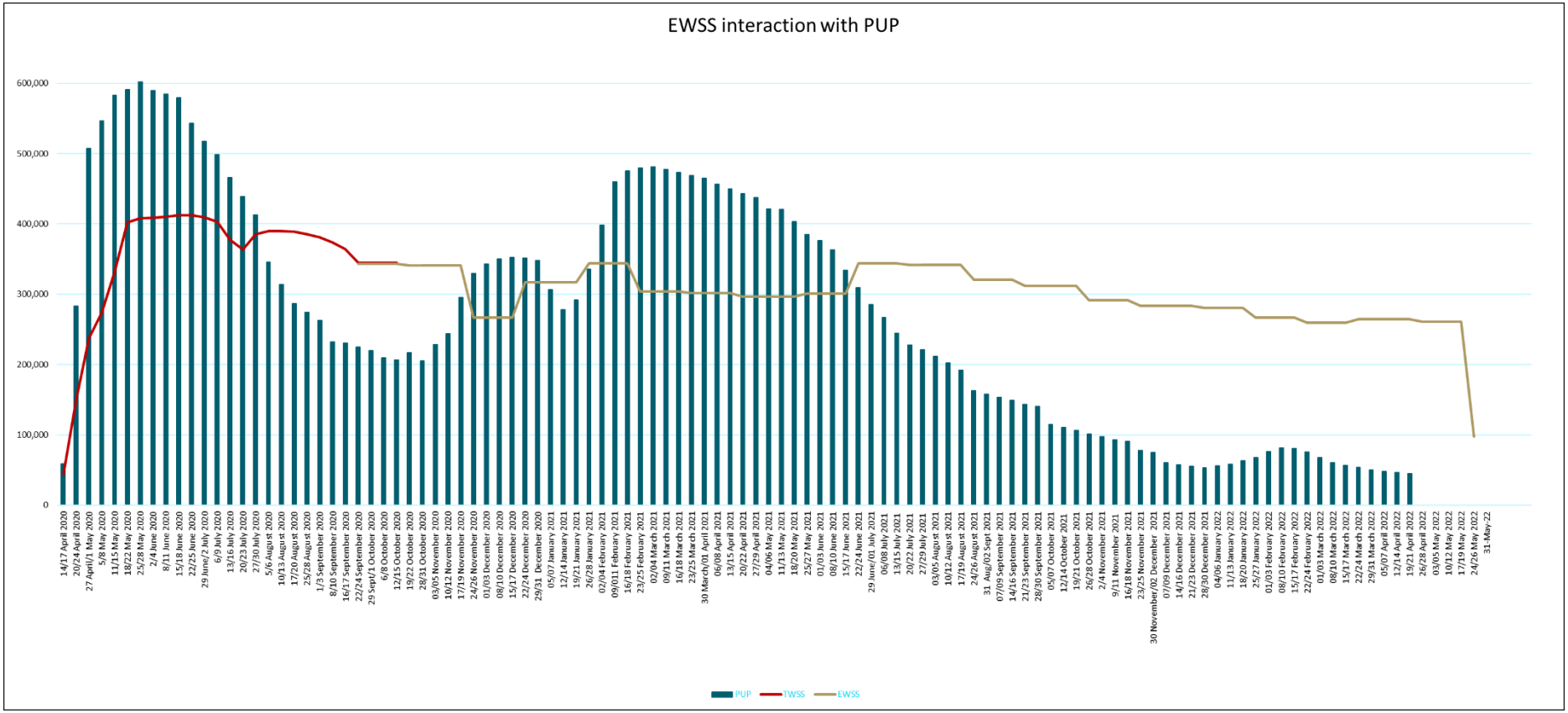

Employees by Sector Dec 2021
45%
40%
35%
30%
25%
20%
15%
10%
5%
0%
42%
9%
7%
6%
6%
5%
5%
5%
4%
4%
4%
1%
1%
1%
0%
0%
0%
Accommodation &...
Wholesale & retail...
Human health &...
Transportation &...
Other Sectors
Arts, entertainment...
Construction
Administrative &...
Manufacturing
Education
Professional &...
Real estate
IT & other...
Financial & insurance
Agriculture, forestr...
Public administratio...
Utilities


Employers by Sector April 2022
30%
25%
20%
15%
10%
5%
0%
27%
11%
10%
8%
8%
8%
7%
5%
4%
4%
3%
1%
1%
1%
1%
1%
0%
Accommodation &...
Other Sectors
Wholesale & retail...
Human health &...
Education
Professional &...
Construction
Arts, entertainment...
Administrative &...
Manufacturing
Transportation &...
IT & other...
Real estate
Public administratio...
Agriculture, forestry...
Financial & insurance
Utilities


Employees by Sector April 2022
50%
45%
40%
35%
30%
25%
20%
15%
10%
5%
0%
46%
7%
7%
6%
5%
5%
5%
4%
4%
4%
3%
1%
1%
1%
0%
0%
0%
Accommodation &...
Human health &...
Wholesale & retail...
Transportation &...
Other Sectors
Arts, entertainment...
Administrative &...
Education
Manufacturing
Construction
Professional &...
Real estate
Financial & insurance
IT & other...
Public administratio...
Agriculture, forestr...
Utilities

# Interaction of EWSS and PUP

39. The following illustrates the number of individuals supported by the TWSS/EWSS and PUP per week across the years 2020 to the end of May 2022[26]:




[26] Source is data from the Department of Finance, Department of Social Protection and Revenue

40. The EWSS was an important bridge between the PUP and regular employment which was the ultimate goal. Over the period that the two schemes were in operation there was been significant movements between the PUP and the EWSS, in particular flows from the PUP to EWSS and to a lesser extent from EWSS to PUP[27]. The EWSS also played an important role in supporting employers and employees move back towards regular unsubsidised employment.

41. As the above shows, once the wage subsidy scheme was established, the numbers on the schemes were relatively stable up until November 2020, when there was a significant reduction in the number of employees in the EWSS from the previous month, the majority of whom went to the PUP. In December 2020, the numbers on the EWSS increased again, with the numbers peaking at 343,200 in January 2021, returning to similar levels that were seen at the introduction of the scheme. Across the early months of 2021, the numbers supported by EWSS remained relatively consistent at around 300,000, increasing to 343,100 in June 2021. In the second half of 2021, the economy was largely re-open with the exception of specific and targeted public health restrictions. As such it is unsurprising that the EWSS numbers steadily decreased over the second half of 2021 to reach 280,300 in December 2021.

42. The scheme closed to new employer entrants with effect from 01 January 2022 and businesses that qualified for the scheme as at 31 December 2021 could continue to avail of EWSS until the expiry of the scheme. Although the EWSS re-opened for certain businesses that otherwise would not be eligible, the take-up was at a much lower level than anticipated.

43. The numbers of employees supported by EWSS remained below 270,000 across 2022 and stood at just over 261,200 in April 2022 (the final month of the scheme for most businesses). 97,700 employees continued to be supported in May 2022 before the scheme finally ceased.

44. The impact of the public health restrictions is more clearly evident in the PUP numbers and correlate to the introduction or easing of the restrictions. The PUP closed to new entrants in July 2021 and subsequently re-opened on a limited basis in December 2021[28] to support workers who lost their employment as a direct result of the introduction of certain public health restrictions[29].

## International Response

45. Ireland is not alone in having introduced measures to support the employee/employer relationship and maintain a portion of wages. Similar measures were also introduced in other European countries. However, there was a considerable level of variation between European countries in the precise form of their employer/employee support schemes.

46. Ireland's wages subsidy schemes compare favourably internationally. Many countries such as the UK and France began to withdraw or taper their schemes in 2021, while others such as Italy and Belgium extended their schemes until the end of 2021. Germany extended their short

[27] Further details in relation to the movements between the PUP and EWSS are set out in the bi-monthly EWSS Utilisation Papers published on the Department's website
[28] https://www.gov.ie/en/press-release/4aba2-update-on-payments-awarded-for-covid-19-pandemic-unemployment-payment-and-enhanced-illness-benefit-8th-february-2022/
[29] https://www.gov.ie/en/press-release/2c0eb-minister-humphreys-announces-details-on-the-re-opening-of-pup-to-workers-impacted-by-the-latest-restrictions/

term work scheme until March 2022 then further extended to year end 2022. The Netherlands introduced 'NOW' a scheme of support for entrepreneurs and extended that scheme until 13 April 2022.[30] France's Short-Term Work Scheme compensated employees in sectors most affected by the crisis. For those employees in companies fulfilling a number of criteria (sector specific) they received more generous support which restarted in early December 2021 in response to the Omicron variant, and ended on 28 February 2022.[31]

47. In mid-December, Canada relaxed the eligibility of its ongoing wage subsidy programmes by reducing monthly revenue decline requirements to 25 per cent for businesses which have a capacity-limiting public health restriction of 50 per cent. The Canada Emergency Response Benefit (CERB) completed within the original timeframe; Canada Response Benefit (CRB) was extended until the end of October 2021 and subsequently closed 23 December 2021[32]. Canada Worker Lockdown Benefit (CWLB) retroactively applied from 23 October 2021 and ended 07 May 2022. On 22 December 2021, the Canadian government temporarily expanded the Canada Emergency Wage Subsidy (CEWS) from 19 December 2021, to 12 February 2022; targeted to support the most impacted businesses after 23 October 2021[33].

48. Ireland's wage subsidy scheme also had greater flexibility when compared internationally, by allowing workers to return to work full time and continue to receive supports. As one of the key objectives of the EWSS was to maintain the link between employers and employees, the EWSS subsidy operated based on an employee's salary whether they are able to work or furloughed. Many other international supports focus solely on compensating for employees for reduced hours or hours they are unable to work such as those in the UK, Denmark, Germany and Sweden.

**Closure of labour market support in different countries[34]**

| Country | Due date of expiry/date programme ended |
|---|---|
| UK | 06 October 2021 |
| Australia | 31 March 2021 |
| Canada | 23 December 2021 CRB<br>12 February 2022 CEWS targeted to support the most impacted businesses after Oct 23rd, 2021<br>07 May 2022 CWLB |
| France | 30 September 2021 for most firms, (Activité partielle).<br>31 December 2021 for the most severely affected sectors.<br>Long-term partial activity is available for up to 24 months over three years as long as firms apply by 30 June 2022.<br>More generous support restarted in early December 2021 in response to Omicron. This ended on 28 February 2022. |
| Germany | Relaxed eligibility requirement and more generous support ends 30 June 2022.<br>31 December 2022 |
| Netherlands | 13 April 2022 |
| US | 04 Sept 2021 |

[30] https://business.gov.nl/subsidy/corona-crisis-temporary-emergency-measure-now/ *
[31] https://www.instituteforgovernment.org.uk/coronavirus-support-workers-comparison *
[32] https://www.canada.ca/en/services/benefits/ei/cerb-application/transition.html
[33] https://www.cfib-fcei.ca/en/canada-emergency-wage-subsidy-cews *
[34] https://www.instituteforgovernment.org.uk/explainers/coronavirus-unemployment-support *
* As of 30 June 2022

# 3 Covid Restrictions Support Scheme

49. The Covid Restrictions Support Scheme (CRSS) was an intervention by the Government to provide support to businesses whose customers were prevented from accessing their premises because of public health restrictions introduced to combat the effects of the COVID-19 pandemic. The CRSS was introduced in Finance Act 2020, and was available to companies, self-employed individuals and partnerships who carry on a trade or trading activities, the profits from which are chargeable to tax under Case I of Schedule D, from a business premises located in a region subject to restrictions, set out in the relevant legislation, that prohibit or considerably restrict customer access.

50. The CRSS applied to businesses carrying on trading activities from a business premises located in a region subject to restrictions, which required the business to prohibit or considerably restrict customers from accessing their business premises and as a result, were operating at less than 25 per cent of turnover in 2019.

51. An eligible business could make a claim under the CRSS for a cash payment known as an "Advance Credit for Trading Expenses". The cash payment enabled an eligible business to meet costs associated with its business premises, such as rent, insurance and utilities, at a time when, because of the specific terms of the Covid restrictions, it could not, for a period of time, provide goods or services to customers or could only do so to a limited extent.

52. The cash payment was equal to 10 per cent of the average weekly turnover of the business in 2019 up to €20,000 and 5 per cent thereafter, subject to a maximum weekly payment of €5,000, for each week that the business was affected by the Covid restrictions. For a business established between 26 December 2019 and 12 October 2020, the claim was based on the average weekly turnover of the business in the period between the date of commencement and 12 October 2020 (subject to a maximum weekly payment of €5,000).

53. Once a business was allowed to reopen following the easing of restrictions, it ceased to qualify for support under the CRSS. However, a business eligible for the CRSS for not less than three weeks could claim an additional payment (referred to as a 'restart week') to assist it with the costs of reopening (normally equivalent to one week, with certain enhanced payments paid from 29 April 2021 – further details below).

54. Additional seasonal support was provided through the CRSS to qualifying businesses who were closed over the Christmas 2020 period due to public health restrictions introduced by the Government to combat the effects of the Covid-19 pandemic. This was in recognition of the additional financial impact on those business of being closed at Christmas time, which for many would be a particularly busy trading period. Statutory Instrument 104 of 2021 provided for an increase in the levels of payment under the CRSS to 20 per cent of average 2019 turnover up to €20,000 and to 10 per cent of turnover above that amount (effectively a double weekly payment), subject to a maximum weekly limit of €5,000, for the three weeks beginning 21 and 28 December 2020 and 04 January 2021.

55. The CRSS was further amended in December 2021 for businesses making claims from 20 December 2021 that had been significantly restricted from trading during the restriction in place over the December 2021/January 2022 period. The turnover threshold was increased from 25 per cent to 40 per cent and businesses established between 13 October 2020 and 26 July

2021 became eligible for supports. In addition, certain charities and approved sporting bodies became eligible.

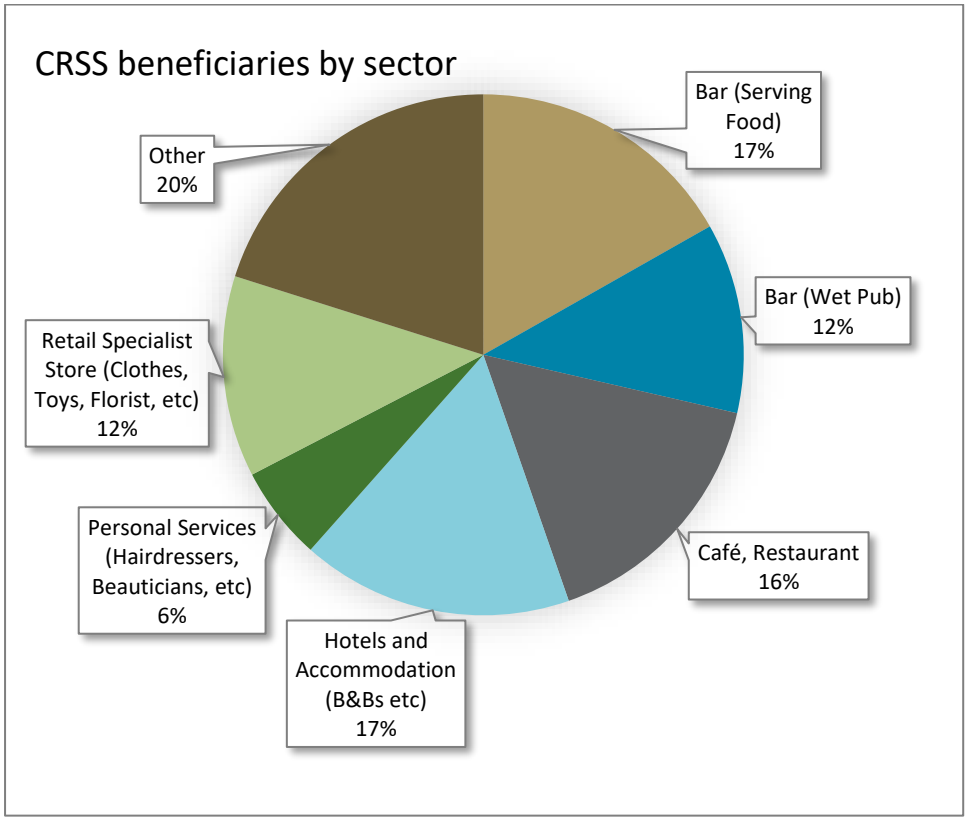
## Extensions of CRSS

56. The CRSS initially ran to 31 March 2021. It was extended to 30 June 2021 by Statutory Instrument 220 of 2021. It was further extended to 30 September 2021 in Section 4 of the Finance (Covid-19 and Miscellaneous Provisions) Act 2021, extended to 31 December 2021 by Statutory Instrument 504 of 2021 and finally extended to 31 January 2022 in Section 84 of the Finance Act 2021.

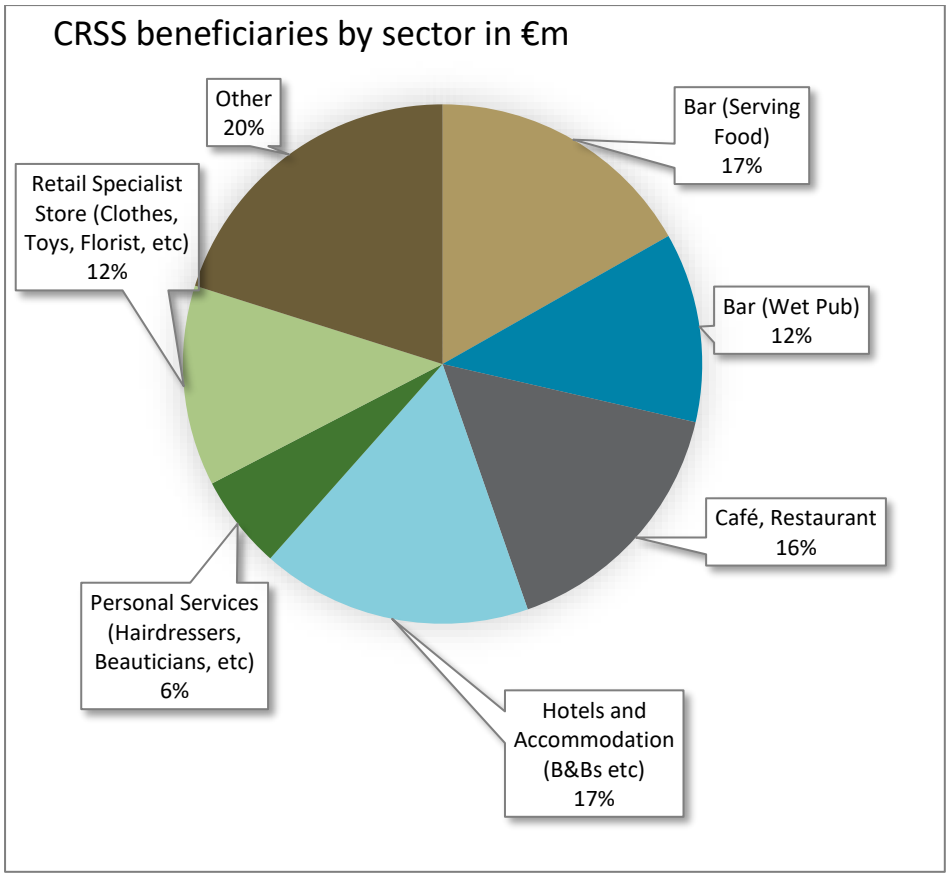
## Beneficiaries of CRSS

57. A total of 25,700 premises were registered for CRSS with Revenue. A total of €727m has been claimed by businesses under the Scheme.

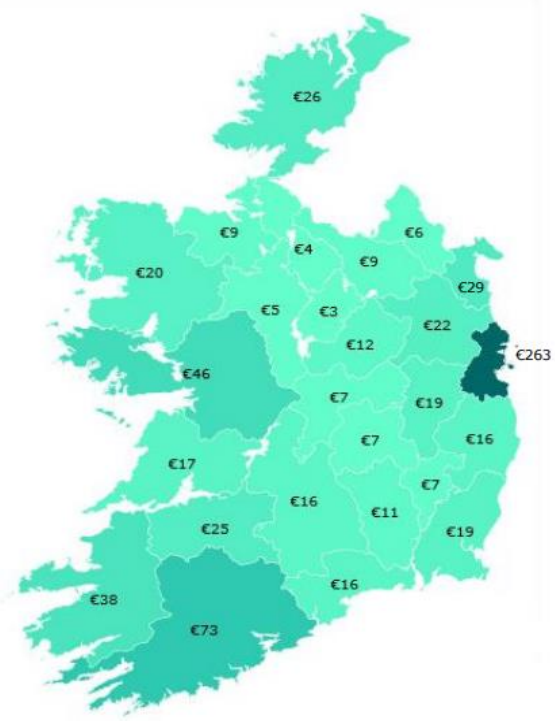
The main beneficiaries of the CRSS were businesses in the retail and hospitality sectors with the distribution shown below:



The main beneficiaries of the CRSS in amounts paid by sector (€millions)




Beneficiaries of the CRSS were located throughout the country as shown below:




Figures in €m

58. As outlined above, the CRSS provided for enhanced restart week payments for businesses reopening after the significant period of restrictions which were in place for many businesses up to summer 2021. Under the amended provisions, the level of “restart week” payment a business could claim depended on the date on which the business reopened (or the “restart week” occurred):
    - where the “restart week” occurred between 29 April 2021 to 01 June 2021, the restart payment was an amount equal to two weeks at double the normal rate of CRSS (subject to a maximum weekly amount of €5,000);
    - where the “restart week” occurred between 02 June 2021 to 31 December 2021, the restart payment was an amount equal to three weeks at double the normal rate of CRSS (subject to a maximum weekly amount of €10,000 and certain businesses who became eligible in December 2021 were not eligible for this increased amount); and
    - in all other cases, the standard restart week payment applied, which was one week at the standard rates of CRSS (subject to a maximum weekly amount of €5,000).

59. A business could qualify once for an enhanced restart week payment.

60. The CRSS was an additional support measure for businesses that were forced to close or restrict access to their premises on foot of public health restrictions, and was designed to supplement the other Covid support measures such as the EWSS and tax debt warehousing.

# 4 Tax Debt Warehousing

61. The Tax Debt Warehousing Scheme has offered valuable and practical liquidity support to individuals and businesses, assisting them with their cash-flow during the difficult trading periods associated with the COVID-19 pandemic. The objective of the scheme is to support the long-term economic viability and survival of the participants/businesses concerned.

62. The Financial Provisions (Covid) (No.2) Act 2020 provided for the warehousing of Covid-19 related PAYE (Employer) and VAT tax debts.

63. No interest is charged on the tax debts for the initial COVID-19 restricted trading period (Period 1 under the scheme) or twelve months thereafter (Period 2). Interest will be charged at the reduced rate of 3 per cent per annum after that (Period 3). Businesses will also be required to comply with requirements in relation to tax returns for the duration and pay other liabilities in full and on time.

64. As of 31 May 2022, €2.9 billion has been warehoused, comprised of €1,362 million in VAT, €1,371 million in Employers PAYE, €56 million in Income Tax, €53 million in TWSS overpayments and €37 million in EWSS overpayments.

## Extension of Tax Debt Warehousing

65. The Finance Act 2020 extended the warehousing scheme to include excess Temporary Wage Subsidy Scheme (TWSS) payments received by an employer which must be refunded to Revenue and certain income tax liabilities payable through self-assessment.

66. The Finance (Covid-19 and Miscellaneous Provisions) Act 2021 provided for an extension of the periods when debts may be warehoused. During the revised period 1, which generally ran to 31 December 2021, debts could be warehoused without interest payable. No interest is payable during period 2 which generally now runs to the end of 2022. Businesses must agree a phased repayment arrangement with Revenue by end 2022 and a 3 per cent reduced rate of interest will apply until the tax debt is repaid (Period 3). The Act also provides for the inclusion of Employment Wage Subsidy Scheme (EWSS) overpayments received by employers which must be refunded to Revenue in the warehousing scheme.

67. The Finance Act 2021 provided for additional income tax liabilities for certain self-assessed income taxpayers in particular circumstances to be warehoused.

68. The Finance (Covid-19 and Miscellaneous Provisions) Act 2022 provides that businesses eligible for payments under certain Covid-19 support schemes (listed in the legislation) in the period between 01 January 2022 and 30 April 2022 would be eligible for warehousing until 30 April 2022 with the interest free period running to 30 April 2023.

# 5 Business Resumption Support Scheme (BRSS)

69. The Finance (Covid-19 and Miscellaneous Provisions) Act 2021 provided for the BRSS which was introduced for vulnerable but viable businesses, particularly in sectors that were significantly impacted throughout the pandemic, even during periods when restrictions were eased. The Scheme was implemented in September 2021.

70. The BRSS operated in a similar way to CRSS but was not be restricted by location, or operating from a physical premises. Businesses whose turnover had reduced by 75 per cent in the reference period, 01 September 2020 to 31 August 2021, compared with 2019 were eligible for a once-off payment based on a percentage of their average weekly turnover for 2019, subject to a maximum payment of €15,000, provided they met the qualifying criteria. Charities and approved sports bodies could also be eligible.

    According to the Revenue Annual Report 2021, a total of €7.93 million in Business Resumption Support Scheme (BRSS) payments were claimed by 1,988 businesses with 2,008 trades. This was broken down as follows:

| Sector | Number of Businesses |
|---|---|
| Agriculture, forestry and fishing | 25 |
| Manufacturing | 30 |
| Construction | 35 |
| Wholesale and retail trade, repair of motor vehicles and motorcycles | 125 |
| Transportation and storage | 80 |
| Accommodation and food service activities | 1,135 |
| Information and Communication | 25 |
| Real estate activities | 25 |
| Professional, Scientific and Technical Activities | 60 |
| Administrative and support service activities | 220 |
| Public administration and defence, compulsory social security | 20 |
| Education | 30 |
| Arts, entertainment and recreation | 115 |
| Other services | 45 |
| Other | 20 |
| **Total** | **1,988** |

Additional details are available at at on the Revenue website[35]

[35] https://www.revenue.ie/en/self-assessment-and-self-employment/brss/index.aspx

# 6 VAT

## Extending 9 per cent VAT rate for Tourism and Hospitality

71. The 9 per cent rate for these industries was reintroduced in Budget 2021 from 01 November 2020 to 31 December 2021 at an estimated cost of €401m. This measure was initially extended in Budget 2022 to 31 August 2022 at a further estimated cost of €251m. The Government agreed on 10 May to extend the 9 per cent VAT rate that currently applies to the tourism and hospitality sectors for a further six months.[36] The 9 per cent VAT rate will therefore remain for these sectors until 28 February 2023 at an additional estimated cost of €250m.

72. This extension will cover the same goods and services as the original measure, restaurant supplies, tourist accommodation, cinemas, theatres, museums, historic houses, open farms, amusement parks, and hairdressing, as well as certain printed matter such as brochures, leaflets, programmes and catalogues.

73. The Government decision reflects that the tourism and hospitality sectors were among those most impacted by the public health restrictions put in place throughout the pandemic. Through no fault of their own, bars, hotels and restaurants had to close on multiple occasions in response to the public health crisis. This measure will provide further support to the tourism and hospitality sectors over the November/December period and into the early New Year.

[36] https://www.gov.ie/en/press-release/29536-minister-donohoe-announces-extension-of-9-vat-rate-for-the-tourism-and-hospitality-sectors/

# 7 Accelerated Corporation Tax Loss Relief

74. Section 11 of the Financial Provisions (Covid-19) (No. 2) Act 2020 introduced a temporary acceleration of corporation tax relief to give cash-flow support to previously profitable companies experiencing losses as a result of public health measures. The measure has no net cost in the medium term because it is an acceleration of a relief that already exists in the corporation tax code.

75. The provision allowed qualifying companies to carry back up to 50 per cent of their estimated trading losses, incurred in an accounting period which contains some or all of the period 01 March to 31 December 2020, against their profits of the preceding accounting period. Under normal rules, this carry back would not take place until up to nine months after the end of the loss-making accounting period, when the corporation tax return is filed.

76. The accelerated corporation tax loss relief allowed claims to be made (and revised if necessary) at any time from four months into the loss-making accounting period and up to five months after the end of that accounting period. This significantly accelerated the tax repayments to companies that can be generated from the offset of these losses against previously taxed profits. The balance of the loss is available for carry back in due course under normal rules, when accounts have been prepared after the end of the company's accounting period and a corporation tax return has been filed.

77. The cashflow benefit provided to companies under the accelerated loss provision currently stands at €72m. This is in respect of a total of €573.5m of CT losses with a total 404 claims having being made.

78. Having provided support to companies at a critical time during the pandemic, this accelerated relief has effectively come to an end due to the time limits provided for in the legislation. As a claim could be filed up to five months after the end of the specified accounting period (which included some or all of 01 March 2020 to 31 December 2020), and due to the general requirement that an accounting period for corporation tax cannot be longer than twelve months, the last possible date for claim was 30 May 2022. Therefore, no further claims will be made going forward but, as noted, the normal rules for utilisation of trading losses continue to be available.

# 8 Income Tax Loss Relief for Self-Employed

79. Section 10 of the Financial Provisions (Covid-19) (No. 2) Act 2020 introduced a temporary Income Tax measures to assist self-employed individuals who were adversely impacted by the Covid-19 pandemic.

80. The measure allowed self-employed individuals to claim to have losses and certain unused capital allowances carried back and deducted from their profits for the preceding tax year, and as such reducing the amount of Income Tax payable on those profits. A €25,000 limit on the total amount that may be carried back.

81. The combination of the enhanced and accelerated relief provided individuals carrying on a trade or profession as sole traders or members of partnerships with a cash-flow boost from the full utilisation of those losses two years earlier than would ordinarily be the case.

82. As of end April 2022, the measure provided cash flow support of over €4 million to 385 self-employed individuals in respect of 2020 losses that were carried back against 2019 profits, and support of €0.56 million to 49 self-employed individuals in respect of 2021 losses carried back against 2020 profits[37].

[37] https://www.revenue.ie/en/corporate/documents/statistics/registrations/covid-19-support-schemes/2022/covid-19-support-schemes-statistics-28-april-2022.pdf

# 9 Stay and Spend Initiative

83. The purpose of the Stay and Spend scheme was to provide targeted support to businesses within the hospitality sector whose operations were likely to be most affected by continued restrictions on public health grounds. The scheme ended on 30 April 2021.

84. Under the scheme, a claim could be made in relation to qualifying expenditure incurred between the period 01 October 2020 and 30 April 2021. Broadly, qualifying expenditure included expenditure on either holiday accommodation or “eat in” food and drink, with a minimum expenditure amount of €25 per transaction being required.

85. In order to avail of the tax credit, taxpayers were required to upload a copy of their receipt(s) for qualifying expenditure to the Revenue Receipts Tracker and then make a formal claim for the credit when submitting their annual Income Tax Return.

86. As at December 2021, a total of 69,962 receipts had been uploaded to the Revenue Receipts Tracker. The related expenditure recorded on these receipts amounts to €11,930,865, and the potential tax cost is €2,386,173, assuming all such expenditure is claimed and qualifies in full for tax relief.

87. The scheme was developed in 2020 at a time when there appeared to be a steady downward trend in infection rates and there was an expectation that the re-opening of the economy could be sustained uninterrupted. Unfortunately, this was not the case and, with the exception of some short periods, public health restrictions had the effect of impeding the operation of the incentive as originally envisaged.

# Appendix – Key Government Decisions on TWSS and EWSS

| Date | Decision Announcement |
|---|---|
| 24 March 2020 | The Government announced the introduction of the Temporary Wage Subsidy Scheme (TWSS) to support the viability of firms and preserve the relationship between the employer and employee. The scheme would commence from 26 March 2020 and last for a period of 12 weeks.<br><br>https://www.gov.ie/en/publication/f24dcc-general-infomation-on-the-temporary-covid-19-wage-subsidy-scheme/ |
| 29 May 2020 | Minister for Finance announced a change to TWSS to accommodate those who have returned to work after a period of maternity or adoptive leave.<br><br>These changes also applied to employees who were on paternity, parental or related unpaid leave or in receipt of certain other benefits paid by DEASP, such as Health and Safety Benefit, Parent's Benefit or Illness Benefit.<br><br>https://www.gov.ie/en/press-release/4bfde-minister-donohoe-makes-changes-to-wage-subsidy-scheme-to-accommodate-those-returning-from-maternity-or-adoptive-leave/<br><br>https://www.revenue.ie/en/corporate/press-office/press-releases/2020/pr-080620-revenue-confirm-twss-changes-for-employees-on-maternity-adoptive-other-benefits.aspx |
| 05 June 2020 | Minister for Finance announced the extension to TWSS end of August 2020.<br><br>https://www.gov.ie/en/press-release/455ce-minister-donohoe-announces-extension-of-temporary-wage-subsidy-scheme-until-end-august/ |
| 23 June 2020 | Minister for Finance announced changes to TWSS to accommodate apprentices on off-the-job training.<br><br>https://www.gov.ie/en/press-release/d7ab9-minister-donohoe-makes-changes-to-the-temporary-wage-subsidy-scheme-to-accommodate-apprentices-on-off-the-job-training/ |
| 23 July 2020 | Government announced the introduction of the Employment Wage Subsidy Scheme (EWSS) as part of July Stimulus Bill. The EWSS replaced the TWSS and commenced on 1 September 2020 until 31 March 2021. |

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| | https://www.gov.ie/en/publication/7e4dd-backing-irelands-businesses-supporting-and-creating-jobs/ |
| 31 July 2020 | Minister for Finance confirmed Proprietary Directors can avail of EWSS where they meet the objective of the scheme of retaining ordinary employees on payroll.<br><br>https://www.gov.ie/en/press-release/50a6d-minister-donohoe-reinstates-proprietary-directors-to-the-employment-wage-subsidy-scheme/ |
| 20 October 2020 | Government announced the enhanced rates of subsidy for EWSS with effect from 20 October 2020 to 31 January 2021. This was to better support businesses dealing with Covid-19 Level 5 restrictions and to align the rates of subsidy with the PUP.<br><br>https://www.gov.ie/en/press-release/3a6ee-government-outlines-changes-to-covid-support-schemes-to-further-support-economy-and-society/ |
| 06 January 2021 | Minister for Finance announced the extension of the enhanced rates of EWSS subsidy to 31 March 2021.<br><br>https://www.gov.ie/en/press-release/8f021-government-extends-subsidy-rates-for-the-employment-wage-subsidy-scheme-until-march-31st/ |
| 22 April 2021 | Minister for Finance confirmed the extension of EWSS and enhanced rates of subsidy to 30 June 2021.<br><br>https://www.gov.ie/en/speech/c8875-opening-statement-by-minister-donohoe-on-dail-motion-on-the-extension-of-ewss-and-crss/#:~:text=In%20relation%20to%20EWSS%2C%20Section,later%20than%2030%20June%202021 |
| 01 June 2021 | Minister for Finance confirmed the extension of EWSS to 31 December 2021. For Q3, it was decided to broadly maintain the status quo for EWSS, including the enhanced rates of support and the reduced rate of Employers' PRSI with a modification to widen eligibility. The precise operational parameters for Q4 would be confirmed closer to the time.<br><br>https://www.gov.ie/en/press-release/63fc8-minister-donohoe-announces-further-economic-supports-for-businesses-as-they-re-open/ |
| 28 September 2021 | Minister for Finance confirmed EWSS will remain in place and unchanged for the month of October 2021 and the future of EWSS would be outlined in Budget 2022.<br><br>https://www.gov.ie/en/press-release/b0a1e-minister-donohoe-confirms-that-ewss-will-remain-in-place-and-unchanged-for-the-month-of-october-2021/ |

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| 12 October 2021 | Minister for Finance confirmed the extension of EWSS, in graduated form, until 30 April 2022.<br><br>https://www.gov.ie/en/speech/68add-statement-of-the-minister-for-finance-paschal-donohoe-td-on-budget-2022-12-october-2021/ |
| 09 December 2021 | Ministers for Finance and Public Expenditure and Reform announced that the enhanced rates of subsidy would remain in place for a further two months, across December 2021 and January 2022.<br><br>https://www.gov.ie/en/press-release/1a168-ministers-donohoe-and-mcgrath-announces-update-on-business-supports/ |
| 21 December 2021 | Government agreed that the EWSS would re-open for certain businesses who would otherwise not be eligible and that such businesses can continue to be supported until the expiry of the scheme.<br><br>https://www.gov.ie/en/press-release/bf5d1-government-announces-significant-expansion-of-supports-for-businesses-affected-by-the-latest-public-health-restrictions/ |
| 21 January 2022 | Minister for Finance announced the extension of EWSS for businesses that were directly impacted by certain public health Regulations introduced in late December 2021, with a one-month deferral in the step-down arrangements and such firms continuing to receive support under the scheme until 31 May 2022.<br><br>https://www.gov.ie/en/press-release/7d402-minister-donohoe-announces-changes-to-economic-supports-for-businesses-most-impacted-by-recent-public-health-restrictions/ |
| 01 February 2022 | The graduated exit path for EWSS commenced from 1 February 2022 for most businesses with a reduction in the rates of subsidy. For businesses that were directly impacted by the public health restrictions introduced in late December 2021, the graduated step-down arrangements would commence from 1 March 2022.<br><br>https://www.gov.ie/en/press-release/b799c-minister-donohoe-notes-exit-path-for-employment-wage-subsidy-scheme/ |
| 31 May 2022 | Minister for Finance noted that the EWSS has now ceased for all businesses after two years of unprecedented support to employers.<br><br>https://www.gov.ie/en/press-release/a43a2-wage-subsidy-scheme-ends-after-two-years-of-unprecedented-support-to-employers/ |

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