

CSNA NEWS



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National President, CSNA

PRESIDENT'S OPINION

Budget 2023: The devil is in the detail

For those members anxious to learn the extent of supports that the government is prepared to provide, we will have to wait a little longer to get the full details from Revenue on how the Temporary Business Energy Support Scheme will operate.

The CSNA welcomes the scheme if it is sufficiently responsive to the very real problems that the current crisis has exposed. We understand that every sector is negatively affected by the unprecedented increases but need to remind both the Finance and Enterprise Departments that our convenience sector uses a considerable amount of electricity in the course of our business; an amount that is disproportionate to other business sectors.



The convenience sector uses a disproportionate amount of electricity in the course of our daily business compared to other sectors

CSNA NEWS

Tobacco companies elect to withhold the majority of 'Big Box' increases

You will be aware that the association has long held the view that the tobacco companies are incapable of ignoring the smallest of market advantages. While most observers would have considered that when Minister Donohoe announced a 50 cent (inclusive of VAT) increase on the pack of 20 cigarettes, and pro rata increases to other tobacco products, that would have indicated that such increases would be made across the full range of tobacco products sold by the companies to the retail trade. This was once again not the case, as retailers noted the new price list showed each of the four brands that have 'Big Boxes' had held off on any increase and continue to supply existing stock at the current wholesale price.

In turn retailers will (because the law forces them to) adhere to the tobacco companies' RRP, continue to give "value" to their



The CSNA reports the new tobacco price list shows each of the four brands that have 'Big Boxes' have held off on any increase following Budget 2023

customers buying the promoted 'Big Box'. In our opinion, there is no other word to use other than promoted. B&H 27s and 34s, the Silk Cut Blues and Purple 27s and the Mayfair 33s will continue to be sold at pre-Budget prices, tempting

those customers that ordinarily buy the 20s pack or the 23s (which have increased) to migrate to the Big Box. In our view, can anyone with our retail experience believe that this migration does not risk additional personal consumption?

CSNA NEWS

CSNA responds to Budget 2023

The announcement by the Minister for Finance that the government had agreed to introduce a Temporary Business Energy Support Scheme must be seen as a welcome acknowledgement that viable businesses need assistance in these difficult times. It is also a significant victory for those retailers that lobbied vigorously to be heard and heeded.

CSNA had expended considerable resources in appraising the Cabinet and all elected representatives that we were justifiably fearful of what the future would hold for our retail members if the Budget ignored their very real needs for direct aid.

Initially there was a lack of understanding from both the TDs and Department officials on the scale of the increases that we had begun to see early in the year, and it wasn't until dozens of retailers showed their electricity and gas bills (and comparative previous bills) that the penny dropped. There was an attempt to bring in a loan scheme, but this was, thankfully,

removed and in its place, we have the Revenue-organised TBESS which will be, we hope, relatively easy to understand and access.

CSNA will provide our observations to Revenue as was the

case for the previous support schemes, leading to over 10 different amended versions to the original scheme. We will be happy to make enquiries on your behalf (anonymously) if you contact us.



Fine Gael Minister for Finance Paschal Donohoe and Fianna Fail Minister for Public Expenditure Michael McGrath TD ahead of speaking with RTE presenter Claire Byrne on RTE Radio 1 about Budget 2023

IF YOU WISH TO **JOIN THE CSNA**,
PLEASE CONTACT THE ASSOCIATION ON **045 535050**



CSNA TIP

CSNA urges caution when selling age-restricted products

As retailers, we service the requirements of our customers and would be very foolish to pass judgement on adults who choose to spend their money in our stores. That does not mean that we don't have responsibilities to manage the access to age-restricted products in accordance with both the law and common sense.

There would appear to be a surge in popularity for vaping products and even though there is not at this time any age control on selling these products, we would have to urge you to give a clear direction to your staff to ensure that only people over 18 are permitted to buy these products



While there is currently no age control on the sale of vaping products, the CSNA advises they should only be sold to those aged 18+ because they contain nicotine

that contain nicotine.

We would also urge you to remind your staff that they can be prosecuted if they sell any tobacco product (including cigarette papers, filters and tubes) to a person under 18. Such a prosecution would prevent them from travelling to many parts of the world and would need to remain on their criminal record for several years. Your policy of preventing access by minors relies entirely on your staff being vigilant and aware of the negative outcomes, not just for you but also for them - remind them frequently of your prevention policy.

CSNA NEWS

Update from Alliance of Insurance Reform (AIR)

The Alliance for Insurance Reform's (AIR) ongoing one-minute survey* continues to confirm what it has from the beginning in May 2021. Motor insurance is dropping while liability cover continues to increase in cost by an average of 16%. So, despite all the ongoing progress on insurance reform, it remains to be seen whether we will get affordable liability insurance now or in the long-term.

According to AIR director Peter Boland, there are plenty of significant reforms happening at the moment, but they are all subject to terms and conditions.

Damages for personal injuries as assessed by PIAB have been reduced by an average of 42% by the new Judicial Guidelines. But the guidelines have been subjected to a raft of constitutional challenges. The two lead challenges have been rejected by the High Court, but both have been appealed to the Court of Appeal with judgements expected in the first half of 2023.

Additionally, we have no clear view of how individual judges will implement the guidelines, although the first few cases to reach the Circuit Court have reportedly seen damages well in excess of the judicial guidelines being awarded. We expect insurers to appeal these decisions to the High Court and await developments.

Positive legislation to rebalance the duty of care** has been proposed by Minister McEntee. We have welcomed this proposed legislation but asked that the responsibility of parents and guardians be specifically written into it and that an inductive list of sectors in which a voluntary assumption of risk might be applied be included. Ultimately, speed is of the essence in getting this legislation enacted and commenced and we expect this to happen before the end of 2022.

The reform of PIAB*** is being progressed through the Personal



Ultimately, speed is of the essence in getting 'duty of care' legislation enacted and commenced, says Peter Boland, director of the Alliance for Insurance Reform

Injuries Resolution Board Bill, now being managed by Dara Calleary as Minister of State at the Department of Enterprise. This will broaden the type of claims PIAB can handle and will allow for mediation, to avoid cases progressing to litigation. The bill was recently at the second stage in the Dáil and we expect it to be commenced before Christmas.

In addition, the Garda Insurance Fraud Coordination Office is up and running, the Perjury Act has been commenced and the Insurance Ireland claims database is now on a new, more openly available footing. And we expect ongoing progress on the capping of legal fees and defamation legislation. But none of this will benefit us in the long term unless more competition is brought into the Irish insurance market, premiums are reduced, and affordable cover becomes more widely available. The Minister of State responsible for this, Sean Fleming, reports that he is working with the IDA to attract additional insurers in order to make the liability market competitive now and in the long term, but we have not seen any results from that process as yet.

*(https://www.surveymonkey.com/r/AIRRenewalSurvey?fbclid=IwAR1OXVfMU67uvU9XScfjQy0bsr6X6e_--TOBkOKNW7EnWOKfuxXrf5rlmw)

**(Source: https://www.justice.ie/en/JELR/OLA_1995_Outline_Scheme_of_Proposals.pdf/Files/OLA_1995_Outline_Scheme_of_Proposals.pdf)

*** (Source: <https://enterprise.gov.ie/en/news-and-events/department-news/2022/february/20220209.html>)

CSNA ADVICE

Magazines should also benefit from 0% VAT



The CSNAs proposes that news and magazines should be treated the same for VAT purposes

The CSNA has sought clarification from the Department of Finance on its intention to reduce newspapers both national and local to the zero VAT category but continue to apply the existing rate of 9% to magazines.

We do not accept that children's comics, educational magazines and current affairs periodicals should be viewed as being any less worthy of having a very valuable societal content when compared to newspapers.

It is much more desirable that people reading published magazines obtain their information from a trusted source rather than from anonymous social media sites. We would have to suggest that news and magazines should be treated the same for VAT purposes. ■