

Swinney announces £10m Government Investment in jobs

Up to 5,000 people will be helped into work in Scotland thanks to a new funding package worth £10 million.

✖ Finance Secretary John Swinney said the money would be used to encourage small and medium sized companies to take staff on, provide assistance with hiring new employees and encourage Scotland's exporting companies.

Speaking at a Business Gateway event in Edinburgh, Mr Swinney said:

“For a sustained period, Scotland has been the only nation in the UK with rising employment and falling unemployment.

“While this is encouraging, and reflects the decisive and comprehensive action the Scottish Government has taken to support jobs, there can be no let up in our efforts to help people into work.

“That is why, as part of the Budget process, and building on discussions we had to build to consensus, I have been able to provide further crucial funding to provide a package of support that will create thousands more new opportunities for people across Scotland.

“This £10 million fund will help provide an incentive for companies to take staff on, it will provide crucial cash to help meet the cost of hiring more employees and it will also be targeted at our exporting companies – a crucial area which has helped lead the recovery we have seen across Scotland.

“In all, it is investment that reflects our clear priority of investing to support economic recovery and will support up to 5,000 new jobs for individuals. It builds on the actions of

our recovery plan and will help sustain the progress we have made in getting people into work and creating jobs.

“Of course, Scotland still faces the unwelcome threat of a UK Government that is cutting too quickly and too deeply, illustrating the urgent need for Scotland to secure full economic and financial powers so that the Scottish Government and Parliament have all the tools needed to sustain growth and further boost employment.”

There are three elements of the package announced today. They are:

- * £5 million for the Employer Recruitment Incentive run by Skills Development Scotland.

This initiative offers employers a £1,000 incentive direct to small and medium sized businesses to recruit a participant aged 18 or over who have been unemployed for 6 months or more into a new job. This will support up to 5,000 new jobs for individuals, including those who are participating in Skills Development Scotland's adult pre-employment programme, Training for Work.

- * £2.5 million for Small Business Employment Support

This fund will assist companies with less than 50 employees increase recruitment by providing an extra £1000 subsidy to small businesses which face particular challenges in meeting the miscellaneous cost of recruiting additional staff such as drafting contracts of employment or setting up or expanding payroll systems. It will be administered by Skills Development Scotland and will provide small businesses with the ability to draw in the support they most need from professional and business bodies to help them grow their businesses through recruitment.

- * £2.5 million for a new Export Support initiative run by Scottish Development International.

✖ This additional funding will allow SDI, under new Chief Executive Anne MacColl, to introduce a new one year intensive programme for small and medium sized businesses that are new to exporting. This initiative, working with around 100 companies, will deliver a comprehensive programme of support to help them develop the capacity and skills to exploit growth opportunities in new markets. The programme will include one to one support from specialist advisors, delivery of tailored services, training and research which will enable specific market entry strategies and plans into the most relevant markets for each individual businesses.