

Thompson leads debate on support for small limited companies

Owen Thompson MP is leading a debate in the House of Commons on Monday calling on the UK Government to provide greater parity in financial support for small limited company directors. The Midlothian MP says they have fallen through the gaps of available coronavirus support.

Thompson who is a member of the All Party Parliamentary Group (APPG) on Gaps in Support – will urge the Treasury to back a Directors Income Support Scheme, providing financial support to company directors who have personally been adversely impacted by Covid-19.

Currently, in the UK the MP says there are an estimated 2 million micro and small limited companies in the UK, collectively employing 7.5 million people. Many have been forced into debt and are struggling to stay afloat.

Mr Thompson said: “For over ten months now, the directors of small limited companies have been amongst the 3 million still excluded from UK government support schemes – our calls to support them have been ignored by Tory ministers.

“The UK Government must act now to protect jobs and livelihoods by bringing in a Directors Income Scheme as part of a financial package for the 3 million excluded. If this support is not provided, it could cost far more in the long term to jobs and Scotland’s economic recovery.

“The foundations have already been laid for the Directors Income Support Scheme – the Treasury has very little work left to do. This proposal removes many of the excuses the Tory government has made for not providing support.

“The scheme, which would mirror the existing Self-Employed Income Support Scheme, would not be reliant on dividend income – so removes many concerns about fraud – and would be easy to administer. It will not provide support for all three million excluded and the UK government needs to address this, but it is an essential step in the right direction and would help a huge number of businesses to keep going.

“The Treasury has had these proposals on their desk for six weeks and yet it still has not given a response. This is not good enough when so many people are facing a desperate situation. There is cross-party support for this proposal – I am urging the UK government to get on board and do the right thing.

“Scotland shouldn’t have to wait for Westminster to act on this. Westminster’s repeated failings have shown that our needs and interest can only be protected with the full power of independence.”