

7th AUGUST 2009

€250M SCHEME TO PROTECT JOBS

GOVERNMENT TO CONTRIBUTE TOWARDS EXPORTERS WAGE COSTS



The Department of Enterprise, Trade and Employment unveiled the Employment Subsidy Scheme this week outlining an initiative to support vulnerable but viable exporting firms who are struggling to make ends meet during the recession.

The announcement was warmly welcomed especially after recent statistics published by the Small Firms Association confirming that redundancies for the year to date to the end of July were now over 49,000 or in stark terms an average of 331 job losses per day.

The new scheme provides eligible companies with a grant of €9,100 per employee paid over a 15 month period, with a maximum grant per Company of €500k.

“This is welcome news for businesses, albeit restrictive and we would advise business owners to contact their advisors immediately to assess if they fit the criteria for eligibility. The 4th of September deadline for applications is very close so the application process needs to be commenced immediately” says Geraldine Tighe, RBK Corporate Finance.

Geraldine continues “There are a number of criteria to be met in order for a Company to be eligible to apply for the subsidy including that the company must have at least 30% of their turnover relating to exports and have 10 employees or more working full time”.

“As business owners struggle to deal with the deepening credit crises this support is welcome and similar to support structures adopted by our European peers. It’s unfortunate that the scheme is limited to companies who export as many others are desperately in need of assistance” continued Geraldine.

Interestingly the value of Irish exports increased by 3% in the first four months of this year, despite the recession, according to the latest external trade figures from the CSO. The statistics agency says goods exported to the US increased by 20% during the period, while exports to Britain were down 7%.

If you would like to discuss your Company's need for financial support, or indeed would like assistance in applying under the above Government initiative, please contact Geraldine Tighe of RBK Corporate Finance on 01 6440100 or 0906 480600, email gtighe@rbk.ie.

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About RBK

Russell Brennan Keane is one of Irelands leading business advisory and accountancy firms. With 50 years experience providing professional advisory services to a range of clients in the mid to large corporate market in Ireland, from offices in Dublin, Athlone and Roscommon.

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