

News Release

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GRANTS TO SUPPORT JOB CREATION

Around 2,000 Scottish jobs are to be created or safeguarded with the help of Regional Selective Assistance (RSA) grants.

Twenty-five businesses in Scotland accepted RSA grant offers totalling over £13.5 million in the second quarter of 2008. Manufacturing, design and IT projects are among those to benefit. The offers relate to planned investment of more than £57 million.

Enterprise Minister Jim Mather said:

“Encouraging investment and job creation is an essential ingredient of achieving increased, sustainable economic growth in Scotland.

“The latest quarterly report demonstrates that Regional Selective Assistance is an important tool in helping business projects come to fruition at a time of global economic uncertainty.

“RSA complements other initiatives by the Scottish Government to create the more competitive business environment this country needs.

“Other economic policies introduced, such as cutting and scrapping business rates for 150,000 businesses, will help breathe new life into Scotland and see the benefits of growth felt in all communities.”

NOTES FOR NEWS EDITORS

1. Regional Selective Assistance (RSA) is the main national scheme of financial assistance to industry. It provides discretionary grants for investment projects that will create or safeguard jobs in Assisted Areas - areas designated for regional aid under European Community law. The scheme is administered by the Innovation and Investment Grants (IIG) unit of the Scottish Government.

2. Payments of RSA are made in instalments, typically over several years, provided that job and project expenditure targets are met. The amounts quoted here and in the report therefore represent the

maximum grant potentially payable if the project is satisfactorily completed, and not the amount actually paid to date.

3. All job numbers are based on firms' forecast figures at the time a grant is offered, and are subject to change depending on future economic conditions and other factors affecting the business concerned.

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