

21.01.19

17 Deputy I. Gardiner of the Minister for Economic Development, Tourism, Sport and Culture regarding small businesses (OQ.6/2021):

Given that the e-petition calling for additional support to small businesses has received over 1,000 signatures, will the Minister advise what plans he has, if any, to offer one-off grants to those that have been worst affected by forced closures?

Senator L.J. Farnham (The Minister for Economic Development, Tourism, Sport and Culture):

A grant scheme is currently under development but it would be likely to be a monthly rather than a one-off payment and would aim to help cover the fixed costs of the most severely affected businesses. The proposal will be taken forward to Ministers for approval this week and I anticipate details to be announced as soon as possible. The new scheme will sit alongside an enhanced payroll scheme that will be easier to access and provide increased support for a range of businesses, especially those most impacted by enforced closures. We continue to adapt our business support measures in response to the prevailing conditions and since the start of the pandemic the States will have spent significant sums to support businesses and to retain and protect Islanders' jobs. For example, just for Members' information, to date £103 million has been spent on the co-funded payroll support scheme, an additional £3.1 million through the business loan guarantee scheme. Visitor accommodation support schemes and events and attraction support schemes are now in place. There has been an additional £6 million in income support, together with deferrals of G.S.T. and employer and social security payments. I want to reiterate that the team are working literally around the clock to bring more support to businesses as soon as possible, subject, of course, to the relevant ministerial approvals.

10.17.1 Deputy I. Gardiner:

I am grateful to the Minister and it is really reassuring that the plans are in place. I do agree that the payroll scheme that was put in place gave a welcome relief. I would like to follow up. As deferral and debts are mounting, would the Minister also consider reducing employer social security contributions in line with already implemented employee reductions?

Senator L.J. Farnham:

I can confirm that is one of the options being explored by the team and would, of course, be subject to ministerial approval if approved, but that is something I would certainly support. I think it is important. Although the deferrals are helpful, it is only pushing debt down the road for businesses and I would be very pleased to support something that would help alleviate that burden for the future.