October data highlights importance of Government support schemes for businesses impacted by Covid-19 – Donohoe

From Department of Finance

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The Minister for Finance, Paschal Donohoe, TD., has today (Friday) welcomed this week's data on the uptake of the Employment Wage Subsidy Scheme (EWSS) and the Covid Restrictions Support Scheme (CRSS) which highlight the importance of these key Government support schemes for employers.

The EWSS is a key element of the Government's response to the Covid-19 pandemic by supporting viable firms and preserving the link with employees. It is an important bridge between Social Welfare payments like the PUP and the supporting employment which is the core objective of the Government's response.

The current uptake of both measures demonstrates the enduring strengths of the Irish labour market, notwithstanding the disruption caused by Covid-19. In particular, although the numbers in receipt of the PUP have increased since the start of October, the impact of level 5 restrictions on the amount of new claimants has been lower than was projected.

At the same time, 35,400 employers having received EWSS payments for October in respect of 345,400 employees, with a total subsidy paid for the month of \in 358m with an additional PRSI saving of \in 66m.

These figures take account of the impact of the first weeks of the Level 5 restrictions and also reflect the impact of the changes to the EWSS rates which took effect from 20 October and which will remain in place until 31 January 2021.

For November, to date nearly €80m has been paid to 19,200 employers for 170,800 employees showing continued strong use of the scheme. The utilisation of these measures will continue to be monitored in the coming weeks.

There has also been significant uptake of the Covid Restrictions Support Scheme (CRSS) since its launch earlier this month. 6,100 businesses have registered 6,400 premises and a further 1,800 applications are currently being processed by Revenue.

Commenting on the continued strong uptake of the EWSS and CRSS to date the Minister said:

"I would like to acknowledge and thank employers for the continued support they have shown to their employees and remind them of the considerable package of measures that the Government have put in place to support businesses at this time.

The EWSS has been central to the Government's response in seeking to support enterprises and to maintain the link between employers and employees. The total amount of payments made to date via wage subsidies now standing at over €3.5 billion - an unprecedented scale of intervention to match these unprecedented times.

The EWSS has been specifically designed to be targeted at otherwise viable employers whose businesses continue to be adversely impacted by COVID-19 and I would encourage all eligible employers to apply for the scheme.

The Revenue Commissioners are continuing to process applications for the CRSS for businesses significantly impacted by public health restrictions. It is expected that payments under the scheme will be made by the end of next week. These will be back-dated to 13 Oct (Budget Day) for businesses who met the conditions of the scheme at that time."