

# Summer Statement delivers plan for jobs in Scotland

The Chancellor today set out the next steps in the UK Government's strategy to secure Scotland's economic recovery from coronavirus – announcing a "Plan for Jobs" to level up, spread opportunity and unite the UK.

Rishi Sunak outlined how he would focus on protecting, supporting and creating jobs as the UK enters the next phase in its recovery following the outbreak.

Delivering his Summer Economic Update, he said:

Our plan has a clear goal: to protect, support and create jobs. It will give businesses the confidence to retain and hire. To create jobs in every part of our country. To give young people a better start. To give people everywhere the opportunity of a fresh start.

As part of a series of landmark measures the Chancellor announced that the government will:

- support jobs with the Job Retention Bonus to help businesses keep furloughed workers. UK Employers will receive a one-off bonus of £1,000 for each furloughed employee who is still employed as of 31 January 2021.
- expand Worksearch Support including a Flexible Support Fund and a £2 billion Kickstart scheme to subsidise jobs for young people
- create jobs in the construction and housing sectors through funding to decarbonise public sector buildings, a demonstrator project to decarbonise social housing and funding to support research and development for Direct Air Capture (as announced by the PM on 30 June)
- protect jobs with VAT cuts for hospitality and tourism, as well as a Eat Out to Help Out discount scheme.

The Summer Economic Update confirms an additional £800 million of Covid-19 funding for the Scottish Government through the Barnett formula.

The UK Government is now providing £4.6 billion through the Barnett formula to help the Scottish Government support individuals, businesses and public services through Covid-19.

Rishi Sunak said the plan for jobs was the second phase of a three-phase plan to secure the UK's economic recovery from coronavirus.

The first phase, beginning in March, focused on protection with a £160 billion package of support – one of the largest and most comprehensive economic responses in the world. In Scotland this package has so far protected more than 620,000 jobs, helped thousands of businesses and paid

£425 million to 146,000 self-employed people.

The Chancellor outlined that following the second phase focusing on jobs, there would come a third phase focusing on rebuilding, with a Budget and Spending Review in the autumn.

Speaking about the impact for Scotland, Chancellor Rishi Sunak said:

Since this crisis started, our wide-ranging package of support for Scotland has protected more than 620,000 jobs, thousands of businesses and paid £425 million to self-employed people.

Today I've set out our plan to protect, create and support jobs across Scotland – to level up opportunity, safely reopen our economy and strengthen the Union.

With a massive funding boost for Jobcentre Plus, doubling the number of work coaches, more people will now benefit from personalised and tailored job support. We're investing £800m through the Barnett formula, giving Scotland the funds to create green news jobs. And we're protecting the thousands of existing jobs in the hospitality sector with a cut to VAT and the Eat Out to Help Out scheme.

Scottish Secretary Alister Jack said:

The measures announced by the Chancellor to support the country's post-coronavirus economic recovery delivers for all parts of the UK.

The UK Government's ambitious plan for jobs, with its strong emphasis on our young people, is great news for young Scots.

The VAT cut for tourism and hospitality will be a huge boost for Scotland. It is now absolutely essential that Scotland's world-class tourism and hospitality industry can properly open for business.

The stamp duty cut gives a helping hand to the housing market and building trades in England. I urge the devolved administration to use their powers to do the same in Scotland.

And, thanks to UK Government spending decisions in the rest of the UK, Holyrood will get a £800 million cash boost, bringing their total additional coronavirus support funding to £4.6 billion.

The Chancellor has set out a fantastic package of support. The devolved administration now need to play its part and show they are serious about Scotland's economic recovery.