

# Employment grant

Are you going to start a new business or does your business need more employees? Then perhaps an employment grant can partially finance your recruitment of staff.

An employment grant is one type of regional business support aiming at increased growth and balanced regional development. On this fact sheet Nutek gives overall information about the grant.

## **To be eligible for an employment grant ...**

... the business must operate in support areas A or B.. See below.

... the business must be engaged in such activity as is listed overleaf.

... the activity must be judged to be profitable and lead to lasting employment.

... the grant must be judged to be necessary for bringing about the planned employment increase.

... the recruitment must aim at permanent employment and apply to persons who have no jobs or are about to lose their jobs.

In support area A a grant can be awarded for starting a new business and, if specific reasons are provided, for other employment increases that are judged to be of strategic importance or especially important to regional development.

In support area B a grant can only be awarded for starting a new business.

It is not possible to get both an employment grant and a regional investment grant for the same investment. Nor can a job-creation subsidy from the Employment Service be combined with the grant.

## **Support areas and exceptions**

Support areas A and B comprise almost all of Norrland and certain parts of the counties of Dalarna, Värmland, Örebro, Västmanland, Kalmar and Western Götaland.

An employment grant can be awarded in supportareas A and B with the following exceptions:

- Luleå Municipality: Luleå cathedral parish, the parishes of Örnäset and Nederluleå
- Umeå and Vännäs Municipalities
- Östersund Municipality: the parishes of Östersund, Frösö, Sunne, Locke, Marieby, Brunflo, Kyrkås, and Lit
- Krokom Municipality: the parishes of Aspås, Ås, and Rödön
- Timrå Municipality
- Sundsvall Municipality: the parishes of Gustav Adolf, Skönsmon, Skön, Alnö, Sättna, Selånger, Stöde, Tuna, Attmar, Njurunda and Indal

More information on the support areas is given at Nutek's website: [www.nutek.se](http://www.nutek.se)

## **Grant size**

In support area A the maximum grant is SEK 198 000 for each new full-year employee (1 650 working hours). In support area B the maximum grant is SEK 120 000.

In order to determine the size of the grant, all applications will undergo an individual assessment with due consideration of, for example, the effect of the grant on employment and growth and the importance of the business activity to society

A basic principle is that nobody should get more support than what is required for the employment increase to take place.

## **Application and disbursement**

The application for an employment grant must be submitted before recruitment takes place. The application should be submitted to Nutek, with one exception. In Western Götaland it is instead submitted to the Western Götaland Region. Forms are to be found at Nutek's website: [www.nutek.se](http://www.nutek.se)

The grant will be disbursed during a three-year period. See overleaf. After receiving a preliminary decision on financing, the company will have to apply for disbursement for each of the three calendar years. Such an annual application must have reached Nutek by August 31 the following year.

### The small print

There are several requirements connected with the grant. Some examples:

- The business operations must comply with the conditions of the market.
- In deciding whether an employment grant should be awarded, special attention must be paid to whether the grant will influence the competitive situation on the market where the business is going to operate.
- The work environment must be satisfactory and the pay and other employment conditions at least equal to those of a relevant collective agreement.
- In handling matters concerning employment grants special attention must be paid to whether the intended investment will give both women and men job opportunities.
- The company shall fulfil the requirements for active measures according to the Gender Equality Act, sections 3-13 (Jämställdhetslagen 1991:433) and the Act (1999:130), sections 4-7, on measures against working life discrimination due to ethnicity, religion or other faith.
- The company shall offer skills-enhancing education or training, at least 125 hours, during the first two years.
- Collateral security shall be provided for the eventuality that the grant should have to be reclaimed.
- The company must have a chartered or registered accountant.

The rules and conditions for employment grants are based on provisions laid down in the Governmental Ordinance SFS 1998:996, with

amendments, and Nutek's implementing regulations.

### Maximum subsidies

	Support area A	Support area B
Max year 1	SEK 66 000	SEK 40 000
<b>Continued subsidies if the employment increase is still going on:</b>		
Year 2	SEK 66 000	SEK 40 000
Year 3	SEK 66 000	SEK 40 000
Total max	SEK 198 000	SEK 120 000

### Activities eligible for an employment grant

- Industry and industry-like activity, that is manufacturing, treatment or refinement by means of industrial methods. In areas like the steel, car, and synthetic fibre industries certain limitations exist.
- Industrial service, or services for industrial production processes, for example machinery and tool construction, machinery service, control of production processes, computer centres and the like. General service of for example vehicles or buildings is not entitled to support.
- Service activity (that is not exclusively aimed at a local or regional market).
- Tourism activity including activity prolonging the tourist season.
- Other activity that is considered to be of essential importance to regional industry or is expected to be of special importance to regional development in general.

Employment grants must *not* be awarded for jobs in the agriculture, fishery, transport, coal, and shipyard sectors.

### More information ...

... is obtainable from Nutek. In Western Götaland the Western Götaland Region should instead be contacted.

You are welcome to get in touch with someone personally before you submit your application.

