



End of Year Statement, 1997

RECORD GROWTH IN INDUSTRIAL JOBS : OUTLOOK FOR 1998 IS FOR CONTINUED GROWTH IN EMPLOYMENT

HIGHLIGHTS

- Total permanent employment in IDA Ireland and Forbairt backed companies rose by 15,281 (6.8%) to 238,774 (its highest level) in 1997.
- New first-time job creation reached 23,888 in 1997 - the fourth year in a row of record growth.
- Cost per new job fell from £10,900 in 1996 to £10,700 in 1997.
- Manufacturing and internationally traded services companies spent almost £23 billion in the Irish economy in 1996 - up £3.3 billion (17.2%) on 1995.
- The total corporation tax take amounted to £1,684m in 1997. This represents a rise of 299% in real terms in the period 1988-1997 (16.3% per annum). Corporation tax paid at the 10% rate by firms surveyed by Forfás amounted to £659m in 1996, or 46.2% of total corporation tax receipts. The comparable percentage in 1988 was approximately 5%.
- The total 1997 allocation to S&T amounts to £819.6m. This is an increase of 5.6% over the 1996 level of £43m.

Launching the End of Year Statement, the Chief Executive of Forfás, John Travers commented :

“One of the most significant developments in 1997 was the recent announcement that the Government is to establish a £250 million Science and Technology Fund to develop technology education at all levels. This underlines the essential commitment to protect and promote job creation in international and indigenous companies. I would also welcome the decision to move towards a single low rate of 12.5% corporation tax which will underpin our competitive position.”