

# Don't let Brexit chaos derail the Welsh economy

First Minister Carwyn Jones has today issued a stark warning that economic opportunities post-Brexit are being undermined by uncertainty and a chaotic approach to negotiations by the UK Government.

Statistics released today show Welsh exports continue to rise, with businesses exporting £16.4 billion worth of goods in the year to March 2018 – an increase of £1.1 billion on the previous 12 months.

Welsh exports to EU countries increased by £649 million (7 per cent), while exports to non EU countries increased by £439 million (7.3 per cent) over the year.

The statistics also show exports to EU countries accounted for 60.6% of Wales' exports, in comparison with the UK figure of 49.6%. Taking into account the 70 plus countries with Free Trade Agreements that the UK has access to through its membership of the EU's Customs Union, nearly three in every four pounds earned by Welsh businesses from overseas sales depends on our relationship with our EU partners.

The First Minister is therefore calling on the UK Government to provide clarity to Welsh business on the UK's future relationship with Europe, so they can properly prepare and continue to grow.

Speaking on a visit to Concrete Canvas, a Pontypridd based manufacturing businesses that exports 85% of its goods, the First Minister said:

“Wales' export market continues to grow – and this £1.1 billion increase is really great news for the Welsh economy.

“Today's statistics are the result of a great deal of hard work and tenacity by our exporting companies, such as Concrete Canvas, who I have the pleasure of visiting today.

“I am delighted by the continued success of Welsh businesses who are succeeding in their efforts to increase their share of overseas markets, despite the looming threat of Brexit on the Horizon.

“It is vital this success continues. But, in order for this to happen, our businesses urgently need clarity on our future relationship with Europe. The EU is already warning businesses in Europe to factor in the risk of a no deal Brexit and reduce reliance on components and products that are manufactured in the UK.

“Such uncertainty will have a direct impact on Welsh businesses and their ability to export. While the Welsh Government is working hard

to support exporting companies, what they urgently need is clear direction from the UK Government.

“The UK Government needs to recognise that the approach they have taken so far simply isn’t working. The Prime Minister needs to go back to the drawing board, rub out the red lines and work with the EU27 to retain alignment with the Single Market and a new, durable Customs Union with the EU.

“This is the only way we will secure a Brexit that allows Welsh businesses to retain their existing trade partners, safeguard the economy and protects the jobs and incomes of the people of Wales.

“The country will survive a hard Brexit, but it will not continue to thrive. Exports figures such as the ones we are celebrating today will drop, there will be lower growth, lower investment, fewer jobs and smaller incomes. This isn’t remoaning, this isn’t Project Fear part 2, it what the Government’s own figures conclusively show.”