

# Finance Secretary urges Treasury to abandon austerity and boost investment for vital public services and the economy

In a letter to the Chief Secretary to the Treasury, Finance Secretary Mark Drakeford set out Wales' priorities ahead of the Spring Budget on 8 March.

The Cabinet Secretary outlined his concerns about the UK Government's intention to press ahead with £3.5bn of cuts to public spending in 2019-20 – cuts which could result in a further £175m reduction to the Welsh budget.

And he called on the UK Government to use the Spring Budget to announce extra funding for health and social care services.

Professor Drakeford said:

“I remain very concerned about the impact of further cuts to public spending and the UK Government's intention to press ahead with £3.5bn of cuts in 2019-20.

“Our budget is already substantially lower in real terms than it was in 2010 as a result of the UK Government's years of austerity – additional cuts on top of those we are already facing could mean a further £175m reduction to our budget.

“These cuts are unnecessary and counter-productive – now is the time for the UK Government to end its damaging policy of austerity and provide a much-needed fiscal stimulus to boost economic confidence and support vital public services.

“Over the winter, we have seen significant pressures in health and social care services across the UK. It was disappointing that the UK Government did not take the opportunity to provide extra funding for these services in the Autumn Statement.

“I urge the UK Government to take action in this Budget to increase funding for health and social care in recognition of the very real pressures these services are facing.”

In his letter to the Chief Secretary for the Treasury, the Cabinet Secretary reiterated the Welsh Government's commitment to the Swansea Bay City Deal proposal and called on the UK Government to act to ensure the wider ambitions for the Swansea region are realised, including:

- Using the Spring Budget as an opportunity to sign the Swansea Bay City Deal;
- Taking forward the Hendry Report on Tidal Energy and calling for detailed discussions between the Welsh and UK governments to maximise the opportunities for the Welsh and UK economies;
- Confirming the electrification of the Great Western mainline to Swansea will be delivered immediately after electrification to Cardiff is completed in 2018.

Professor Drakeford added:

“Good progress has been made with the Swansea Bay City Deal proposal and it has been my – and the Welsh Government’s view that the deal is ready to be signed.

“The Budget is an ideal opportunity for the UK Government to bring this deal to a conclusion and I welcome the positive comments by the Chancellor in the House of Commons recently, which provided a strong signal this is achievable.”