

News story: Alun Cairns' New Year message for 2019

Looking back over the past twelve months, Wales has once again proven its credentials as a world-renowned destination for inward investment and increasing opportunities.

One of my highlights has been the activity culminating in the tolls being scrapped on the Severn Crossings in mid-December. From when I took the decision in consultation with the Transport Secretary and Prime Minister, there has been endless conversation and excitement about what the removal of this physical and psychological barrier will mean for commuters, tourists and businesses alike.

This year was another unprecedented year in our political and constitutional history. As well as navigating our ongoing exit from the European Union, the first Wales-only taxes for 800 years came into effect. Two new devolved taxes were introduced by the Welsh Government following the transferral of powers to the National Assembly for Wales – the Land Transaction Tax on property, which is a new Welsh version of stamp duty, and the Landfill Disposals Tax, which replaces landfill tax.

The UK Government placed our devolution settlement on a firmer foundation with the introduction of the new reserved powers model on 1 April. This enabled more decisions to be put in the hands of Welsh Ministers, giving them important new levers to grow the Welsh economy and to deliver better public services for the Welsh public. The regulations also brought into force many of the further powers devolved to the National Assembly and Welsh Ministers under the Wales Act 2017, including powers over elections, transport and the environment.

Aside from landmark legislative changes, the UK Government secured over half a billion pounds in additional funding for the Welsh Government, announced a review of its borrowing powers and invested £120 million for a North Wales Growth Deal through the Treasury's UK Budget earlier this year. This will rebalance our economy and provide the Welsh Government with greater spending power, while keeping taxes low and ensuring debt continues to fall.

The Chancellor of the Exchequer also announced more than £36 million of UK Government funding in Swansea to support cutting-edge building materials which generate electricity, supporting the UK Government's mission to at least halve the energy use of new buildings by 2030. This recent funding award, means Swansea University has now benefitted from over £150m of UK Government funding since 2010.

It wasn't just the construction industry that benefitted this year. World-leading entrepreneurs in Wales will benefit from an additional £51 million to create the technologies of tomorrow. Philip Hammond is set to expand successful 'catapult centres' which are fuelling innovation across the

country, including in Wales, as part of the UK's ambitious, modern Industrial Strategy.

So far this funding has helped to create hundreds of new products, services and inventions including portable pollution sensors, cellular therapies to fight cancer and LED treatment for blindness. In Wales, this funding will go to the Compound Semiconductor Catapult in Cardiff, which will open its Innovation Centre early next year. Bringing together academics and businesses to develop new technologies in one centre will support areas of our daily lives from the next generation 5G mobile networks to improving scanning at airport security.

But set against a backdrop of change in our relationship with the European Union, this year it has been more important than ever to broaden our horizons and forge new trading partnerships with nations further afield. We have also continued to demonstrate that the UK Government is committed to supporting Welsh exporting businesses, as I witnessed Wales' international impact during trade missions to the United States, Hong Kong, China, Kuwait and South Africa.

These missions are underpinned by an ambitious new Export Strategy to increase exports as a proportion of our GDP to 35% and provide streamlined and targeted support for businesses of all sizes to raise productivity, boost wages and protect employment across the UK.

Back on home soil, Aston Martin is investing a further £50 million at its St Athan facility to become its centre for electrification and the home of its Lagonda brand, creating an additional 200 jobs to bring a total of up to 750 high skilled jobs to South Wales.

We have celebrated our domestic and global impact as part of the Wales Week in London festival, hosting events to promote Welsh products and recognise the strength and diversity of our language and culture. The Royal Welsh Show provided an excellent opportunity to engage with the agriculture industry and underline the importance of the rural economy to Wales as we secure the best outcome from the EU exit negotiations.

The UK Government in Wales will continue to work closely with other Whitehall departments to champion Welsh interests and ensure investors and businesses see Wales as a progressive trading partner. Over the coming year, we will continue to promote stable economic growth, build opportunities for everyone and maximise our potential after leaving the European Union.

On behalf of my ministerial colleagues and the whole of the UK Government, I wish you a happy and prosperous new year.