

UK government must commit to key Welsh infrastructure projects and future investment – Mark Drakeford

In a letter to the Chief Secretary to the Treasury, Finance Secretary Mark Drakeford set out Wales' priorities ahead of the Autumn Budget on 22 November 2017.

The Finance Secretary is urging the UK government to make a series of commitments to Wales, including:

- acting on the recommendations of the Hendry review and giving the green light to the Swansea tidal lagoon
- address the significant under-investment in Wales' rail infrastructure
- reversing its decision to cancel the electrification of the mainline between Cardiff and Swansea
- deliver important connectivity projects in North Wales
- provide a fair and equitable funding settlement alongside the devolution of the Wales and Border franchise
- recognise expert reports and reverse the decision not to devolve Air Passenger Duty to Wales.

Finance Secretary Mark Drakeford said:

“It is time for the UK government to change tack and listen to the expert views of the OECD and the IMF and increase investment in infrastructure. This would bring a much-needed boost to the economy across the UK.

“In Wales, there are a number of specific projects which are ready for UK investment. I have written to the Treasury urging them to finally commit to these key infrastructure projects and provide much needed clarity on future investments.

“It is now months since the Hendry review gave the green light to the Swansea tidal lagoon – we now need to see a clear commitment from the UK government to progress with this project.

“The UK government's decision to cancel the electrification of the mainline between Cardiff and Swansea has been widely condemned. They should now use the Autumn Budget as an opportunity to reverse this decision and commit to full electrification, which businesses and passengers across the region had been promised.

“Wales must receive its fair share of new infrastructure investment, including important connectivity projects in North Wales.

"I urge the UK government to make it a priority to set aside funding in the Budget to address the very significant under-investment in Wales' rail infrastructure. Equally, with the devolution of the Wales and Borders franchise in 2018, it is only right that we receive a fair and equitable funding settlement.

"I am also calling on the UK government to reverse its decision not to devolve Air Passenger Duty to Wales. Not only are they ignoring the recommendations of the Holtham and Silk Commissions but also the independent report published this week. There is absolutely no reason why this tax should be devolved to Scotland and Northern Ireland and not to Wales."

The Finance Secretary also urged the UK government to ensure Wales receives the same level of funding from current EU programmes after Brexit – without any claw back to Whitehall.

The Finance Secretary added:

"EU funding is vital for agriculture, businesses, higher education and the regeneration of communities across Wales.

"We must have the same level of funding as we benefit from currently and this funding must not be subject to any new UK government constraints or top-slicing. Any attempt to claw back this money to Whitehall and run it as a UK government programme would fundamentally disrespect devolution."