

# New immigration rules will hit the Welsh economy finds report

The Welsh Government asked the Wales Centre for Public Policy to examine how the Whitehall plans, which were published in a recent White Paper, to change the immigration system once the UK has left the EU, will affect Wales.

This included examining the impact of stopping overseas workers from staying in the UK for more than a year if they earn less than £30,000.

The key findings from the report, which was carried out in collaboration with experts from Kings College London and the University of Oxford, include:

- The White Paper proposals are likely to substantially reduce low-paid EU migration to the UK, and reduce middle and higher-paid EU migration, albeit by a lesser degree.
- Wales will be affected more than the UK as a whole by the cut in the number of people migrating for work, but the overall impact on the Welsh economy is projected to be less than that on the UK economy.
- There would be an estimated hit to GDP in Wales of between 1% and 1.5% of GDP over 10 years, compared to between 1.5% and 2% for the UK as a whole. The policy would also reduce GDP per capita.
- Securing a salary threshold of below £30,000 would slightly mitigate the impacts – a £20,000 threshold is estimated to lead to a reduction in GDP of between 0.8% and 1.2% over 10 years.
- The sectors most affected by the proposed changes across all skills levels include manufacturing, education, social care and health.
- The profile of detailed sectors and occupations expected to be affected in Wales is likely to be broadly similar to the UK as a whole.

Jeremy Miles said:

“This report once again confirms our fears that the UK government’s migration proposals will do nothing to help employers and will hit the Welsh economy. The government’s plans will have a real impact on both the private and public sector.

“Nurses, junior doctors, vets and a range of workers we need for our public services and industry will find it much more difficult and less attractive to come to Wales under these proposals. The immigration system should help our economy and people, not stifle it and limit its potential.

“We want the UK government to drop the threat of a £30,000 salary threshold which will do so much to harm to our economy. We need a flexible, managed approach to immigration that is fair but does not do unnecessary damage to our prosperity. That is why we have set out detailed proposals for a post-Brexit immigration system that

links more closely to employment needs and serves the interests of the country.”

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## No deal tariffs plan will impact Welsh ports – Ken Skates

The UK Government has unveiled an interim approach to avoid new checks and controls on goods at the Northern Ireland land border if the UK leaves the EU without a deal.

In such a scenario, the UK’s temporary import tariffs will not apply to goods crossing from Ireland into Northern Ireland. It is also unlikely there will be routine checks on goods travelling between Northern Ireland and Great Britain, potentially creating an incentive for hauliers to route traffic through Northern Ireland, rather than taking the direct sea routes from Ireland to Wales.

Ken Skates said:

“There are no winners in a no deal Brexit. There are no good options for a no deal tariff policy , which will see tariffs applied to EU imports.

“The UK Government’s announcement earlier this week clearly shows this. If goods are able to travel between Northern Ireland and the Republic of Ireland without a tariff this could have an impact on ports such as Holyhead which have a direct link with Ireland and where tariffs would apply under these plans.

“This clearly shows the madness of a no deal Brexit and the impacts it can have. As the clock ticks towards EU exit day, it is time to rule out this option once and for all.

“The best way to protect our economy and jobs is to commit to a closer long-term economic relationship, as set out in our White Paper Securing Wales’ Future.

“It’s time to remove the threat of a no deal and the huge damage it will cause to Wales and the UK. We must work on a closer longer-term relationship with the EU that will protect jobs and livelihoods.”

MPs earlier this week voted in the House of Commons against a no deal Brexit but it remains the default option in law if the UK fails to secure a

withdrawal deal with the EU.

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## [£10m Welsh Government funding to improve health outcomes](#)

The main focus is to improve the quality of care, to reduce variation and to improve patient outcomes. Investment will be directed towards services which will bring the most wide-ranging benefits to the most people.

As previously announced last year, £3 million will be invested to deliver the single cancer pathway. Wales is the first UK nation to take this step. The single cancer pathway aims to reduce the time that patients have to wait to receive cancer diagnostic tests and for their treatment to start. Once the new pathway is in place, a patient's waiting time will begin from the point of a suspicion of cancer rather than the point of diagnosis.

A further £3m will support diagnosis services including endoscopy and radiology as well as innovative new procedures like gene and cell therapies.

There will also be a focus on rehabilitation services which will receive £3m in funding. This will be used to assess how key services are currently delivered. It will focus on community based prevention and early intervention which will help avoid inappropriate hospital admissions.

The remaining million £1m will be split between supporting 1,000 Lives improvement and the development of value based health care.

Health Minister Vaughan Gething, said:

“The funding I have announced today will ensure that health services in Wales develop innovative solutions and ensure that patients get the most out of health services.

“The investment will help unlock better ways of delivering services, provide consistency of care across Wales, and result in better outcomes for the people of Wales.”

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# Extra £6.6m for research in Welsh universities

The funding will pave the way for a new, longer-term approach to research and innovation in Wales. It is designed to help strengthen the current Welsh research base by enabling Welsh researchers to compete for a greater share of new UK Research and Innovation (UKRI) funding, as suggested by Professor Graeme Reid's review of research and innovation in Wales.

The funding will be managed by the Higher Education Council for Wales (HEFCW).

Kirsty Williams said:

“Over the past 20 years, Welsh universities have grown the volume, impact and international reach of their research. Wales is now among the most efficient research performers, converting relatively small levels of funding into highly regarded research, and in the process outperforming other parts of the UK and similar sized countries in terms of published research impact.

“In the current uncertain economic climate, it's more important than ever we support our universities in building their research capabilities and responding to both the changing UK research landscape and the potential consequences of Brexit.”

Professor Peter Halligan, the Chief Scientific Advisor for Wales, said:

“It's vital we recognise and reinforce research excellence in our universities and this funding is welcome news for those leading research in Wales.

“We must continue to grow Wales's research and innovation capacity and highlight the impactful research work going on here, which contributes to our international profile and boosts our future economic capability.”

Dr Alyson Thomas, Director of Policy and Funding at HEFCW, said:

“Strengthening our research base not only brings academic, societal and economic benefits, it also boosts universities' capacity to compete for external grants and encourages investments into Wales. We very much welcome this additional funding from the Welsh Government at this time and look forward to seeing the resulting developments in a valued and sustainable university research

sector.”

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## Innovation is at the heart of our Welsh food and drink success story – Lesley Griffiths

With just days to go until Wales’ largest international food and drink event BlasCymru / TasteWales returns, Minister for Environment, Energy and Rural Affairs, Lesley Griffiths, says innovation lays at the heart of the Welsh food and drink success story.

Latest figures show almost two years since its launch at the inaugural BlasCymru / TasteWales event, an initiative, known as Project Helix, to boost innovation and efficiency in the Welsh food and drink industry has already had an impact of over £82 million.

Using state of the art manufacturing facilities, the scheme has provided technical support and bespoke training that’s helped develop hundreds of new products, helped businesses innovate, be more productive, improve skills and reduce waste in the supply chain.

Half way through the scheme, Project HELIX is well on its way to meet its targets early. To date, the scheme has delivered clear benefits to the sector including:

- 225 jobs created and a further 1150 safeguarded
- 234 businesses assisted
- 129 new businesses established
- 203 new markets accessed, and
- 273 new products developed.

The innovation scheme is delivered in partnership with three food centres based in Cardiff, Ceredigion and Anglesey as part of Food Innovation Wales.

The latest figures come as Food Innovation Wales has become a network partner of the European Institute of Innovation and Technology (EIT) Food, Europe’s leading food innovation initiative. Supported by Welsh Government funding, this will establish a dedicated EIT Food presence in Wales, linking the Welsh industry to a wider consortium of key industry players, startups, research centres and universities from across Europe.

EIT Food aims to collaborate closely with consumers to develop new knowledge and technology-based products and services, ultimately delivering a healthier and more sustainable lifestyle for all European citizens. Being a member of

EIT Food will enable Food Innovation Wales to be at the forefront of technology and research and build international partnerships to further bolster the Welsh food and drink industry and beyond.

Next week, BlasCymru / TasteWales will also return to the Celtic Manor bringing together over 100 Welsh food and drink producers and 200 buyers – a third of whom are international. As the UK prepares to leave the European Union, the event will provide a fantastic opportunity to showcase Wales' quality food and drink and open new potential global markets.

Minister for Environment, Energy and Rural Affairs, Lesley Griffiths, said:

“The success of Project HELIX shows how collaboration between academia, industry experts and producers on the ground can make such a big difference.

“Supported by Rural Development Programme funding, the scheme is already delivering and boosting the sector. An £82 million boost, new jobs created and others safeguarded, new products, new businesses launched, a more skilled workforce – all helping build Wales's great and growing reputation in the international food and drink industry.

“As we prepare for the challenges Brexit will bring, innovation is making the food and drink more resilient and plays a key role in our Welsh success story. I am therefore delighted that Food Innovation Wales has become a member of the European Institute of Innovation and Technology (EIT) Food.

“To support this, Welsh Government funding support will create a new Welsh base to further strengthen vital European collaborative links through EIT Food. It will put us at the forefront of cutting edge research and crucially enable us to forge new partnerships especially during these challenging times. It is more important than ever that we strengthen our partnerships with nations and regions across Europe and next week's Blas Cymru / Taste Wales provides the perfect opportunity to demonstrate our ambition to co-operate internationally is stronger than ever.”