

Cyllideb Ddrafft Llywodraeth Cymru 2026-27 - Tystiolaeth ysgrifenedig: CBI Wales/
Welsh Government Draft Budget 2026-27 - Written evidence: CBI Wales

Businesses that are continuing to bear the burden of high costs and other inflationary pressures were desperate for a draft Budget aimed at kick-starting investment in Wales's lacklustre economy.

Despite limited fiscal headroom, firms and investors will be pleased to see that the Welsh Government remains committed to breaking down critical barriers to growth

Raising long-term infrastructure spend from £2.8bn to £3.5bn is particularly welcome given the tight fiscal settlement and can act as a key catalyst of growth. Publication of the Infrastructure Finance Plan will also bring much needed certainty to businesses and can be instrumental in helping attract world-class firms and highly skilled people to Wales – particularly as the country forges ahead in key areas like clean energy, advanced manufacturing, semi-conductors, life sciences, and digital innovation. A multi-year pipeline of projects will crowd-in private investment and lock-in benefits for local businesses.

But to maximise these opportunities, business needs a local planning system that is fit-for-purpose and calibrated towards boosting growth. New funding for planning departments will support the faster delivery of applications, ensuring the Welsh Government both reaches housing targets and improves vital infrastructure such as road and rail. Business also needs to see the government urgently press ahead with plans for five new railway stations between Cardiff and the Severn Tunnel to alleviate congestion on the M4 around Newport

On skills, businesses remain concerned that a lack of additional funding for training providers and education institutions will hamstring efforts to future-proof Wales's labour market with a skilled, productive, and healthy workforce.

Firms will question why Budget announcements on decarbonisation appear to prioritise support for small-scale, low-carbon energy initiatives, with comparatively less emphasis on helping major emitters - our anchor companies. However, the Welsh Government's climate and energy spending encompasses a wide range of schemes, and further analysis is needed to fully understand their scope and impact.

Government and business must work closely together to unlock further investment and build a strong, modern, and sustainable Welsh economy that delivers meaningful growth and can compete with the world's best.

Russell Greenslade , CBI Wales Director

