

Cynulliad Cenedlaethol Cymru	National Assembly for Wales
Pwyllgor yr Economi, Seilwaith a Sgiliau	Economy, Infrastructure and Skills Committee
Blaenoriaethau ar gyfer Pwyllgor yr Economi, Seilwaith a Sgiliau	Priorities for the Economy, Infrastructure and Skills Committee
EIS 12 Siambrau Masnach De a Chanolbarth Cymru	EIS 12 South and Mid Wales Chambers of Commerce

PRIORITIES FOR THE ECONOMY, INFRASTRUCTURE & SKILLS COMMITTEE

South & Mid Wales Chambers of Commerce

25 August 2016

1. Over the summer the South & Mid Wales Chambers of Commerce consulted our members, and the wider business community, on the challenges they are currently facing. For Wales to become a prosperous country, we need a thriving business sector. We therefore believe that your committee should focus its work on breaking down the barriers that businesses find before them.
2. Our consultation found that there were five key areas of challenges. In no particular order, we take you through these challenges and suggest areas of work your committee could undertake in relation to them.

Uncertainty about the future

3. The biggest cause of uncertainty that the Assembly should consider is Brexit and how this will directly or indirectly affect the environment businesses work in. Other areas of uncertainty also include interest rates, fluctuating exchange rates and the future of Tata Steel plants in Wales.
4. We would suggest the committee:
 - 4.1. Regularly scrutinise what the Welsh Government is doing to help businesses at this time of uncertainty, ensure the best deal for Wales in the Brexit negotiations and prepare Wales and the economy for life outside the EU.
 - 4.2. Investigate whether the support provided to Welsh businesses around risk planning is adequate.
 - 4.3. Look at what impact the announcements by Tata Steel to sell its plants has had on the economy and whether the government is doing enough to support the supply chain during this period. Also undertake a review, when we know the outcome for Tata Steel plants, of what actions the Welsh and UK Governments have taken and what lessons can be learnt if a similar situation happens again.

Expanding Successfully

5. For the economy to grow, our businesses need to grow. However there are huge challenges for businesses looking to expand including sourcing advice, finance and support. Also dealing with the increase in rules and regulations, and the administration they bring.
6. We would suggest the committee:
 - 6.1. Regularly scrutinise the advice, funding sources and support that the Welsh Government provides to businesses that want to expand and look at whether this support is adequate and dynamic enough to meet businesses' needs.
 - 6.2. Investigate whether the support the Welsh Government provides to businesses looking to start exporting or move in to new markets suits the needs of businesses.
 - 6.3. Review how well universities and businesses work together to research and develop new products and new ways of working, the impact that Brexit will have on existing partnerships and what can be done to increase the number of businesses who benefit from joint working with universities.

Ability to recruit the right people and retain them

7. Many of the challenges around recruitment and retention of staff focus on the lack of people with the right qualifications and skills to do the jobs.
8. We would suggest the committee:
 - 8.1. Look at how the Welsh Government and training providers (including schools, colleges and universities) work out what skills they need to teach and whether they have a full understanding of businesses future skills requirements. Also scrutinise the process by which colleges and universities decide which courses to run and whether sufficient people are being trained to fill roles.

Keeping ahead of the competition

9. Competition in business is positive as it encourages improvement in their services and products and it keeps prices low for customers. But with government providing some services in competition to the private sector, usually at subsidised rates, and the growth of the sharing economy, which usually involves fewer regulations and tax requirements, we're seeing many businesses complaining that it's not a fair playing field.
10. We would suggest the committee:
 - 10.1. Look at areas where the Welsh Government are providing services in competition to private sector providers, workplace training for example, and examine whether this is creating unfair competition to businesses.

- 10.2. Investigate the impact of the sharing economy on more traditional businesses and look at what steps could be taken to ensure that competition is fair.

Poor infrastructure

11. Businesses often raise the poor transport infrastructure in Wales as a challenge facing their business and they are frustrated by the lack of progress on transport projects. But infrastructure is more than just transport, e.g. the huge investment in Superfast Broadband. However too many businesses are not yet actually connected to the network and utilising the full benefit of the technology. Further examples are the lack of affordable commercial property to rent or purchase and access to international travel.
12. We would suggest the committee:
 - 12.1. Scrutinise the delivery of all major infrastructure projects such as the M4 Relief Road and Metro to establish what can be done to speed up the process.
 - 12.2. Review the progress of the Superfast Broadband rollout and investigate what should be done next to encourage businesses to link up to the facilities and use it to its best.
 - 12.3. Investigate whether there is enough commercial properties across Wales and if not, what can and should be done to improve the situation.
 - 12.4. How to improve access to Cardiff Airport and to other airports which, while are in England, are used by business people from Wales.