

Summer Statement delivers plans for jobs in Wales

The Chancellor today set out the next steps in the UK Government's strategy to secure Wales' economic recovery from coronavirus – announcing a "Plan for Jobs" to level up, spread opportunity and unite the UK.

Rishi Sunak outlined how he would focus on protecting, supporting and creating jobs as the UK enters the next phase in its recovery following the outbreak.

Delivering his summer economic update, he said:

Our plan has a clear goal: to protect, support and create jobs. It will give businesses the confidence to retain and hire. To create jobs in every part of our country. To give young people a better start. To give people everywhere the opportunity of a fresh start.

As part of a series of landmark measures, the Chancellor announced that the government will:

- support jobs with the Job Retention Bonus to help businesses keep furloughed workers. UK Employers will receive a one-off bonus of £1,000 for each furloughed employee who is still employed as of 31 January 2021.
- expand Worksearch Support including a Flexible Support Fund and a £2 billion Kickstart scheme to subsidise jobs for young people
- create jobs in the construction and housing sectors through funding to decarbonise public sector buildings, a demonstrator project to decarbonise social housing and funding to support research and development for Direct Air Capture (as announced by the PM on 30 June) and modernisations to courts and prisons and prison and probation estate improvement,
- and protect jobs with VAT cuts for hospitality and tourism, as well as a Eat Out to Help Out discount scheme.

The Summer Economic Update confirms an additional £500 million of Covid-19 funding for the Welsh Government through the Barnett formula.

The UK Government is now providing £2.8 billion through the Barnett formula to help the Welsh Government support individuals, businesses and public services through Covid-19.

Rishi Sunak said the plan for jobs was the second phase of a three-phase plan to secure the UK's economic recovery from coronavirus.

The first phase, beginning in March, focused on protection with a £160bn package of support – one of the largest and most comprehensive economic

responses in the world. In Wales this package has so far protected more than 316,000 jobs, helped thousands of businesses and paid £273 million to more than 100,000 self-employed people.

The Chancellor outlined that following the second phase focusing on jobs, there would come a third phase focusing on rebuilding, with a Budget and Spending Review in the autumn.

Speaking about the impact for Wales, Chancellor Rishi Sunak said:

Throughout this crisis we've supported hundreds of thousands of people in Wales, putting in place one of the largest and most comprehensive economic responses in the world.

Today I've set out the next steps in our plan to secure our recovery. It will protect, support and create jobs in every part of Wales – levelling-up opportunity and strengthening the Union.

We are supporting jobs throughout Wales with a massive investment in our Jobcentre offer, including doubling the number of work coaches. We're creating green new jobs with decarbonisation projects, modernisations to courts and prisons and £500m allocated through the Barnett formula. And we're protecting existing jobs by cutting VAT and introducing the Eat Out to Help Out scheme, providing a welcome boost to the hospitality and tourism sectors.

Secretary of State for Wales Simon Hart said:

The Chancellor's package of measures delivers for Wales and will rebuild and refocus our economy as we bounce back from the coronavirus pandemic.

Our priority remains firmly on levelling up the nations and regions of the UK, safeguarding people's livelihoods and delivering prosperity. The opportunities we are creating and the new routes into employment are great news for young people in Wales, while VAT cut for tourism and hospitality will be a huge boost for that sector. It is now absolutely essential that Wales' world-class tourism and hospitality industry can properly open for business.

This has been an exceptionally challenging time for everyone in the UK. We have supported Wales throughout, and our decisions will mean the devolved government will also receive an extra £500m bringing their additional Covid-19 support funding to £2.8 billion.

The Chancellor has set out a fantastic package of support paving the way to Wales' economic recovery.