

Statement

For immediate release



19th October 2010

David Russ, Managing Director for the South Wales Chamber of Commerce, commenting ahead of tomorrow's Comprehensive Spending Review:

"The country's deficit must be radically reduced and plans put in place for private sector businesses to lead the UK's economic recovery. After two years of seeing the private sector suffer as a result of the economic downturn, business must be at the forefront of any review.

"There seems to be a lack of understanding of the situation in Wales, where excessive cuts would hurt the worst performing region in the UK statistically. The Chancellor George Osborne preaches 'fairness', so Wales must get what its due.

"We understand the need for cuts but we must ensure that infrastructure projects – such as the electrification of the Great Western main line - are protected, along with support for small businesses and internationalisation departments.

"Wales is the worst performing region in relation to GVA and GDP and we have the highest proportion of public sector employment. If significant cuts are made to the public sector the burden will fall upon the private sector at a time when we are trying to drive economic recovery forward.

“We have already had disappointing news with yesterday’s announcement that the Severn Barrage is not going ahead where we believed the renewable energy generation and job creation benefits would have massively outweighed the negatives.

“More should have been done to consider private sector investment as we are sure that there would have been willing investors due to the rate of return that energy generation provides.

“We can only hope this is not a sign of things to come from tomorrow’s review and that Wales is going to be protected from dramatic cuts in order to move up from the bottom of the economic ladder.”

Ends

For more press information please contact Laurian Corner at South Wales Chamber on 01633 242715 or laurian.corner@southwaleschamber.co.uk