Vaughan Gething AS/MS Gweinidog yr Economi Minister for Economy



Ein cyf/Our ref: WQ91245

Andrew RT Davies
Welsh Parliament
andrewrt.davies@senedd.wales

8 March 2024

Dear Andrew,

I write in response to WQ91245: What financial support does the Minister plan to offer to help people who may lose their jobs as a result of Tata's decision to close both blast furnaces in Port Talbot?

Alongside the support offered by Tata Steel itself and that of our partner organisations, the Welsh Government's employability and skills programmes and budgets will be available for individuals requiring support. These are demand led programmes and the Welsh Government does not set a cap on the funding that would be provided to the workforce impacted. ReAct+ and Communities for Work +, can help people who have been impacted by redundancy to find new employment in as short a time as possible. As part of the Welsh Government's final budget for 2024/25, I have ensured that additional funding has been used to provide an additional £4.75m to the ReAct+ programme, taking the total figure to £7.881m. This demand led budget will be a priority for the period of the company's transition and we will work with partners, including steel trades unions to ensure the workforce receives the support needed.

ReAct+ can provide vocational training grants and help with training-related expenses to remove barriers to training and employment. For those who require additional support to find new employment, Communities for Work+ can provide community based 1-2-1 mentoring and funded training.

I have written to successive UK Government Secretaries of State regarding Tata making clear that we were prepared to do what we can to support the company and its employees. The Minister for Finance and Local Government and the First Minister also raised the matter with the Chief Secretary to the Treasury and the Prime Minister respectively prior to Tata's

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Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

January announcement, seeking a joint approach to the talks that Welsh Ministers have been excluded from.

It is a matter of serious concern that the Secretary of State for Business and Trade has chosen not to agree to meet with Welsh Ministers or include the Welsh Government in discussions with the business in order to seek a joint approach.

It is important to note that the company is undertaking an ongoing consultation on its proposals and is engaging with the workforce and their unions as part of this exercise. It is the firm view of the Welsh Government that there is a viable future for blast furnace steelmaking in Wales and that ongoing talks should focus on realising that objective in order to secure a longer, fairer transition. Where talks between government, unions and the company are able to secure a better deal, the requirement for government support could alter significantly. Any proposal will involve substantial costs to the Welsh Government but joint talks could allow for a partnership approach that reflects the budget possibilities across UK and Welsh Governments in order to prevent the economic loss currently proposed.

Yours sincerely,

Vaughan Gething AS/MS Gweinidog yr Economi

Minister for Economy