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Economic Events Diary May – October 2003

May

Corus announced 95 job losses at its Shotton plant, with the closure of a loss making electro-plating line. However, production at Port Talbot is to be increased by around 25%.

The Welsh Development Agency announced that private sector investment in its **employment and housing sites** had increased by 20% to nearly £74m during 2002-03. The WDA estimated that around 900 jobs could be created on sites sold for business development. Also in May, the WDA took ownership of the former **LG Semicon** site.

Excel Assemblies in Port Talbot secured a large contract to provide components for the next generation of telecommunications equipment for the British army.

June

Cardiff failed in its bid to become **European Capital of Culture** in 2008.

Celsa, the new owners of the **ASW steel plant** in Cardiff announced that work would restart later in 2003, with hopes that some of those made redundant in 2002 would find employment.

New **employment figures** suggested that the number of people employed across Wales rose by 69,000 in the year to April 2003, despite a continuing decline in manufacturing.

The Draft Mid Term Evaluation of the **Objective 1 programme** showed generally good progress in terms of funds committed. However the programme targets particularly for employment and GDP growth were considered to be ambitious. The Wales European Funding Office stated that £465m had already been committed to 770 projects, with those projects creating or safeguarding around 28,000 jobs.

July

The **Bluestone project**, which aims to create a large holiday village in Pembrokeshire and up to 600 jobs, passed the first phase of planning process.

Work began on the £34m **Cyfartha Retail Park** at Merthyr Tydfil, with the site expected to create 270,000sqft of new retail space.

New figures showed that Wales was leading the UK in attracting **foreign inward investment**. Although the overall number of new projects into the UK had declined, Wales attracted an estimated 14% of the total number of new UK jobs in the 2002-03 period.

Morgan Cole opened new offices on the **Swansea Waterfront**. The SA1 Swansea Waterfront project as a whole aims to create more than 2,000 jobs and 1,200 new homes, in addition to new retail and leisure facilities.

The Welsh Assembly Government gave the go-ahead for the **St David's Shopping Centre** re-development in Cardiff. The finished scheme could provide around 2,000 jobs.

Figures released by ONS reveal that although **unemployment** has fallen in Wales the number of working age people unwilling or unable to rejoin the jobs market is on the increase.

August

Planning permission was given for the £50m redevelopment of **Pontypridd town centre**.

The Office for National Statistics published figures which showed that the **GVA per head** gap between Wales and the UK widened in 2001. GVA per head in Wales in 2001 was estimated at £11,400, just 78.8% of UK average.

Sam Hammam gained permission from Cardiff City Council for a **new stadium** to replace Ninian Park. The outline application was for a 60,000 seater stadium with linked hotel and retail developments. Contracts were also awarded for the new Morfa Stadium development in Swansea.

September

Work started on the first stage of **Cardiff's International Sports Village** at Ferry Road. The 80 acre site will include a mix of residential, sports and retail facilities.

A report by Lambert Smith Hampton found that **vacant office space** in Cardiff was at its highest level for five years. This report suggested that the situation had been exacerbated by the relocation of some civil service departments out of the capital.

General Electric Power Systems officially opened its **£300m power plant** at Baglan Energy Park. The 480MW gas turbine will supply energy to BP's chemical plant, to other businesses on the Park and to the National Grid.

October

An outline **planning application** was submitted by the WDA in partnership with private sector developer Scarborough Development for a business and housing development near Llantrisant. This development could reportedly generate up to 2,000 jobs.

Sony manufacturing plants in Wales were not expected to be affected by the announcement that the company would be reducing its global workforce by 20,000. In April Sony had reported a quarterly loss, due to weak demand for its products and high costs.

Comings & Goings: Companies' Activities in Wales

Around 700 jobs were safeguarded at **Toyota's engine plant** on Deeside with the introduction of a new diesel engine for the Corolla model.

Friday-Ad announced it will create 120 jobs at the former ITV Digital call centre at Pembroke Dock. Friday-Ad's decision follows that by the Department for Work and Pensions at the end of March to open a JobCentre Plus contact centre at the site providing 250 jobs.

Japanese-owned **Sanken Power Systems** at Abercarn made 90 people redundant.

The Audit Office is expected to investigate grant payments to **LG Phillips** at Newport, after 870 jobs losses were announced.

Park Finance Group, involved in motor and asset finance, selected St Mellons for its new headquarters creating around 50 jobs.

Bosch at Miskin announced production is to begin on a new alternator unit at their plant, safeguarding over 1,000 jobs.

Newtown based **PolyCo** unveiled a second production line to produce plastic products for the DIY and construction industries, and expects to increase its workforce.

Chevron-Texaco announced that it will cut its Pembroke refinery workforce by 100. Currently the firm employs around 500 permanent and 300 contract staff.

Tesco announced that 230 financial and administrative jobs would be lost in Cardiff as activities relocate to India. In addition some **HSBC** call centres in the UK (including in Swansea), are due to close in the near future as work is transferred to Asia.

The power group **Centrica** agreed terms to purchase Barry Power Station for £40m. The combined cycle gas turbine plant employs 31 people.

American firm **The Number** announced 550 new jobs in Cardiff for its directory services enquiry line. The company already employs 700 at its Cardiff Gate call centre.

The **Maintenance, Repair and Overhaul Europe trade event**, the largest aerospace event of its kind, was held in Cardiff in September. At the event Andrew Davies announced two new aerospace projects. **Nordam Europe**, which repairs engine components, is to create 220 jobs in an £8.4m investment, whilst **Britax Aircraft Interiors (UK)**, is to generate 200 jobs at its Cwmbran facility.

Sports tyre re-treading company **Maxsport Competition Tyres** opened a £1m business in Rhayader which is to create up to 25 jobs.

Rachel's Dairy at Aberystwyth expanded its organic food business with a £3m investment which is expected to create up to 50 new jobs.

The stainless steel company **Avesta Polarit** at Panteg, near Pontypool announced plans to close the plant with the loss of 116 jobs.