

Land of plenty seeks to sell itself to newcomers

by Brian J. Ford

Almost invariably the newcomer to Wales is pleasantly surprised by what he finds. It is a colourful region of mountains and contoured coastline where the climate is equable and the pace of life more civilized than the rat race of larger conurbations. What is more, it takes only 140 minutes to travel between Wales and London by train—and, for the industrialist, there are sizable Government grants to assist capital investment in most of the region.

There are large and efficient reserves of labour available. There is land, electricity and water in excess of present requirements, and several Government-built advance factories are waiting for occupants under favourable economic circumstances.

Why is it, then, that Wales has lagged so far behind in expansion? Why is it, indeed, that many firms have even left the Cardiff area to re-establish themselves in towns (such as Bristol) which at first sight may not offer much more?

No doubt the basic problem of Wales is simply its image. A recent survey in several leading towns in Britain tended to confirm that most people still have an outdated impression of a land of coaltips, squalor and intellectual torpidity, and certainly there are valid historical reasons for many of these impressions. Even in the minds of some Welshmen the heritage of the slump and, earlier, the exploitation of steel and coal companies, taints their attitudes even today.

Though one naturally hesitates to emphasize the fact, many of the older generation of Welshmen now in local government are too close to this heritage and as a result content to be a little too provincial and perhaps even introspective in their dealings with others. Incoming industrialists may find themselves put off by the fact—and it is high time we realized it.

The idea in the minds of many is that the Welsh work force is particularly militant. It is not. Certainly in the past when conditions of heavy industry were atrocious there were rebellions against

them, but the typical working man in Wales today is enthusiastic and generally efficient.

There has been much unemployment in the principality in recent decades and the worker is glad to use an opportunity to the best advantage. Occasionally, it is only fair to state, there are comments from industrialists that senior men tend to be hesitant in working towards management responsibilities, but the capacity of the Welshman who has worked for years in a traditional industry to be retrained for a new occupation is considerable. There are countless areas—from electronic component assembly to systems building—where former miners in middle age have been quick to learn new techniques and apply them with energy and efficiency. The workpeople are definitely not a militant bunch—they are progressive and capable and it is this aspect of Welsh character which must be high on the list of attributes sought by a prospective employer.

The traditional industries of Wales are now changing or closing down. The mines are shutting in a programme of rationalization (a term that brings many a wry smile among the redundant) and natural wastage in steel is in many sectors being encouraged. This has meant a need for development of newer industries to use the labour pool and Government policies have been designed to expedite this.

Generous grants are made towards capital expenditure and factory premises are available—free, in some cases. But one important flaw in the rationale of the Government's schemes has been the inevitable outcome of such purely financial carrots. It is the capital-intensive plants which have tended to predominate in many instances, rather than those which will provide new employment. A company which may receive, say, a quarter of its investment expenditure in the form of a Government grant is clearly more likely to head towards Wales (or the other development areas) the more it has to spend. Thus expensive and sophisticated new plants spring up with

Government subsidies even if they are unlikely to provide any great new chance of employment.

There have recently been cases of capital-intensive programmes of investment which have been heavily subsidized by the Government yet which will provide no extra employment. No doubt it is arguable that there will be some benefit (building contracts to be let, labourers on site to be employed during construction and so forth), but a Government grant of hundreds of thousands of pounds is a high price to pay for such benefits.

But is the basic development-area philosophy itself applicable to Wales? Even before the Hunt committee began its considerations it was apparent that an area with so much to offer was probably able to stand on its own feet in the competitive field of attracting new industry.

Mr. Ian Kelsall, Welsh secretary of the Confederation of British Industry, is emphatic about this: "I believe there are three main reasons why we have not seen as much development in the past as we ought to have", he explains. "First, because our image is still bad; secondly, because there has for too long been a failure to sell Wales; and, thirdly, because of poor internal communications. Now that the Board of Trade and the Welsh Office are selling actively, almost for the first time in some respects, we are beginning to see the expansion that we have all been waiting for."

It was Mr. Cledwyn Hughes who brought the most impetus to the task during his period as Secretary of State for Wales. Mr. Ian Gray, head of the Board of Trade in Cardiff, has found universal approval of his own lively approach to expansion—and he was appointed during Mr. Hughes's tenure of office.

Mr. Gray has been one of the most energetic men behind the recent increase in industrial development in Wales and his feelings about the problem are unambiguous. "We must aim at a diverse cross-section of incoming industry", he told me recently, "and I am now convinced that we have

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to tackle the problem with the whole range of modern sales techniques. To interest industry in expansion anywhere outside their home territory you must sell enthusiastically and professionally and not be content for clients to find out about it for themselves."

Does this policy work? Undoubtedly: the increase in industrial development in Wales has been greater than anywhere else in Britain over the past year or so, and the new arrivals cover a valuable spectrum of interests. On the other side of the coin the Development Corporation has done excellently, but there has been particular emphasis recently on taking the industry of Wales to the rest of the world; trade missions, organized in cooperation with the B.N.E.C., have produced a varied range of approaches from overseas developers and buyers who are interested in Wales—now that they have learned something about it first hand.

But until the development area boundaries are sorted out in prac-

tice, and until more people outside Wales know about it, the rate of internal progress is always going to lag behind the theoretical possibilities.

What are the criteria by which an industrialist judges the merits of a region of possible future expansion? Undoubtedly he looks for a good labour force, good training facilities, and land readily at hand. He wants to be able to reach London easily, have financial assistance available if necessary and he wants a pleasant working environment. All this Wales has, and more. It has so much to offer—as long as we do not pretend that it is merely an offshoot of the home counties.

Wales is a country in its own right, with an independent heritage and a proud people, and for all the problems of the past and the misunderstandings of the present there is clearly an expanding and prosperous future in the offing. No branch of developing industry can afford to ignore the fact.

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