

Formal Council Questions and Responses

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1 Question to the Leader of the Council : 2024/04 - Semi Conductor Manufacturing

Councillor Al-Nuaimi asked:

Dear Councillor Mudd,

Please find the following links, which provide background to my question, which concerns the present position of Semi-Conductor manufacturing in Newport. The 2 links relate to information released on 29 March 2023 and 31 August 2023.

1.

<https://www.southwalesargus.co.uk/news/23417221.semiconductor-cluster-expansion-plan-newport-south-wales/>

2.

<https://nation.cymru/news/semiconductor-industry-in-south-wales-could-double-in-size-over-next-two-years/>

The first one provides the statement “HUNDREDS of new jobs could be created in Newport as part of plans to expand the city's semiconductor industry.”

The second one, (published 5 months later) said in a statement attributed to yourself “The high-tech semiconductor industry in south Wales could generate an additional 1,600 jobs over the next two years.”

Question At Any Time:

Could you please therefore provide an update of the progress achieved in the last 12 months on the creation of new jobs in this important industrial sector and the number of jobs filled. Secondly can you outline the plans for the next 12 months put in place to achieve the desired target of 1600 jobs by 2025.

Please could you also inform us of how many of the new jobs are actually taken by (or planned to be filled from) suitable workers or professionals who live in the city of Newport and its suburban areas.

Councillor Mudd responded:

Data and statistics for the semi-conductor cluster are sourced from the businesses operating within the cluster, and specifically through CSConnected. Their latest update is available on their website: Annual Report: Compound Semiconductor Cluster in South Wales Draft, dated 2nd February 2024 ([Microsoft Word - Annual Report Feb 2nd 2024 Draft\[1\]\[1\].docx \(csconnected.com\)](#)). I am pleased to see that there has been a growth in employment within the sector, with the report estimating that there has been a 2% increase in compound semiconductor cluster employment in 2023, with directly supported GVA estimated to be

£265m, or around £150k per employee. The cluster supports (directly and indirectly) an estimated £381m of Welsh GVA, approximately 26% higher than the estimate for 2022.

In respect of the future, Newport has been identified as part of an Investment Zone for Southeast Wales and the First Minister has been clear that this Investment Zone will focus on the semi-conductor cluster. An investment zone that boosts investment in semiconductors could deliver a raft of benefits for local people: more and better highly-skilled jobs, inward investment, and economic growth – all of which would translate into prosperity for our communities. The Investment Zone will be administered by the new Southeast Wales Corporate Joint Committee with Council Officers forming part of the working group which will progress the Investment Zone through the relevant government gateways.

In respect of local employment, the Council does not employ these people and we therefore do not hold this data.