



Llywodraeth Cymru
Welsh Government

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Welsh Government Response to the Welsh Language and Economic Development Report

July 2014

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Preface

In December 2012, I established the Welsh Language and Economic Development Task and Finish Group, chaired by Elin Rhys, Managing Director of Telesgop, Swansea.

I set up the group to explore the relationship between the Welsh language and economic development and to recommend ways to develop practical approaches to foster a positive relationship.

I published the Group's Report on 21 February and made a Written Statement that same day. I was pleased that the Report and its findings received broad support from stakeholders.

The Group are to be commended on their wide ranging measured report, which gave us at the Welsh Government and our partners much to consider. The report contained 27 recommendations, which I needed to explore with the Chair of the Group, Ministerial colleagues and my officials in order to give them their due consideration.

I am pleased to be responding positively to the recommendations and can advise that a great deal of progress has already been made. This report provides an update on how these various ideas and projects are being progressed.

In responding to the Welsh Language and Economic Report I want to reaffirm that the Welsh Government is committed to doing what it can to create the best environment to support the mutually beneficial growth of the Welsh language and economic development. Our response to this review recognises the synergy between nurturing economic growth, the provision of jobs, the creation of wealth, and the well-being of the Welsh language and will create a stimulus to better support business to exploit these relationships.

Finally, I would like to thank Elin Rhys and the members of the Task and Finish Group for preparing such a thorough report.

Edwina Hart MBE CStJ AM

Minister for Economy, Science and Technology

July 2014

Introduction

1. An independent Task and Finish Group was established by the Minister for Economy, Science and Transport consider the relationship between the Welsh language and economic development and to recommend ways to develop practical approaches to foster a positive relationship.
2. The membership of the Group was determined to reflect a wide range of expertise and experience, gained both at home and internationally, including business and commerce, entrepreneurship, public policy and the manner in which they respond to multi-lingual situations.
3. Several members have also been involved with, and made admirable contributions to the work of, other advisory groups notably the Welsh Language Partnership Council, the Review of Welsh Business Access to Private Sector Finance, the City Regions Group and the Welsh Language Communities Group.
4. The members of the Group included:
 - Elin Rhys, Managing Director, TELESGOP(Chair)
 - Elin Pinnell, Partner, Capital Law
 - Professor Dylan Jones Evans, University of the West of England
 - Dr Rhodri Llwyd Morgan, Aberystwyth University
 - Dr Martin Rhisiart, University of South Wales
 - Alun Shurmer, Dwr Cymru/Welsh Water
5. The Task and Finish Group, which was independent of Welsh Government, was asked to:
 - Review outcomes from Economic Development and the Welsh Language: A Programme of Action, which was published in 2004;
 - Consider and recommend ways in which the use of the Welsh language and bilingualism could support business growth and economic development;
 - Consider and recommend ways in which economic development could support increased use of the Welsh language;
 - Consider and recommend ways how the public sector could support increased use of the Welsh language through its local economic impact, including for example procurement and employment policies;
 - Utilise labour market data to identify employment trends and opportunities for the development of the Welsh language in the Welsh economy;
 - Consider and highlight examples of best practice for Welsh language employment; and
 - Recommend a governance structure to develop, implement and monitor a future strategy and work plan for promoting economic development and the Welsh language.
6. The Group presented their report to Welsh Government in February of this year. The report was founded on meaningful and genuine engagement, facilitated

through a Call for Evidence, which generated 32 responses. These responses came from businesses, Welsh language and Business representative Groups, and individuals.

7. The Group also received input from a number of expert speakers who were invited to provide oral evidence at meetings.
8. Concurrently with the work of this Group, a number of other Groups were considering matters relating to the Welsh language and/or economic development. Appropriate contact was made with these Groups which included Groups reviewing the provision of Welsh for Adults, reviewing provision for Welsh as a Second Language, considering Welsh Language Communities and that considering the National Eisteddfod, all of which were established by the then Minister for Education and Skills.
9. In this way, the Group engaged with stakeholders throughout the production of the report. A full copy of the report is available at:
<http://wales.gov.uk/topics/businessandconomy/policy/wled/?lang=en>
10. The report contains 27 recommendations in total. In all cases the Group endeavoured to build upon existing good practice to produce recommendations that were realistic, achievable and that sought positive outcomes in relation to both the language and the economy.
11. In terms of overarching messages the report reinforces that the Welsh language is integral in creating a stable and favourable business environment, and reflect that the language consolidates the identity of Wales which is important in the development of the Wales brand.

Welsh Government Response

12. The Welsh Government welcomes the Welsh Language and Economic Development report, which contains wide ranging recommendations. It has given the Government and our partners much to consider.
13. Many of the recommendations targeted at the Welsh Government reflect a cross government agenda that include issues that cut across many Ministerial portfolios.
14. The Welsh Government has already addressed some of the recommendations of the report, and will be taking action on others immediately. A few of the recommendations will require longer term work. The following section provides further detail on the Welsh Government's response to the report from the Welsh Language and Economic Development Task and Finish Group report. It sets out how the various ideas and projects are being progressed. The responses have been grouped by theme to aid presentation.

A Marketing Tool

Recommendation 1

Bilingualism and an appreciation of differing cultures are an important part of marketing strategies of successful businesses across the globe strengthening company brands and also making them more relevant to local customers. The Group recommends that there should be a strategy to encourage and facilitate the use of the Welsh language as a marketing tool and to promote the benefits that bilingualism can bring to business.

Recommendation 2

Building upon the increasing use of the Welsh language for promotional, branding, and marketing reasons and to consolidate Welsh identity within the wider international community, the Group recommends that consideration should be given to incentivise companies through the use of appropriate European and Welsh Government funds to encourage further developments in this direction.

Recommendation 3

The group recommends that businesses are encouraged to use the “.cymru” internet domain suffix when the opportunity arises.

The Welsh Government recognises that marketing is an important element of successful business and plays a key role in a growing economy.

In developing marketing strategies we believe that the Welsh language should not be seen as a restricting factor or burden to business, rather it should be regarded as an additional tool that provides the cutting edge over competitors, both within Wales and internationally. Wales is extraordinarily rich in cultural assets, both tangible and intangible, not least the Welsh language itself. By connecting with clients in their own language, businesses are more likely to build strong relationships and, in a world where bilingualism is a common phenomenon, the use of the Welsh language can add distinctiveness to the Welsh product or service.

Wales possesses some of the world’s best producers of food and drink. High quality local ingredients, distinctive food and drink and interesting places to eat are increasingly important to visitors. There has been considerable emphasis on developing products which distinguish Wales from its competitors bringing more direct economic benefits by strengthening local supply chains and tourism businesses. Increasingly the Welsh language is being used to enhance this distinctiveness.

We recognise that in some cases a behavioural change will be required and we will be taking proactive steps to encourage business to becoming increasingly bilingual. For example a series of events to encourage business to use Welsh is being delivered across Wales throughout July.

We recognise that increasing the profile of the Wales brand online will have numerous beneficial outcomes to all sectors of Welsh life. By securing bilingual domain names we are also able to promote and encourage the use of the Welsh

language online. We will be leading the way with the switch to '.wales' and '.cymru' and we commit to promoting its usage throughout the business community in Wales.

The Welsh Government will:

- **Pilot a series of surgeries in the Teifi Valley which will aim to help businesses to maximise use of the language to support their activities**
- **Pilot a Welsh Language SME Support fund to SMEs in the Teifi Valley wishing to maximise opportunities of the Welsh Language to their business.**
- **Research future action to support the economy and Welsh language.**
- **Promote the use of '.cymru' and '.wales' to business.**

An additional skill

Recommendation 4

Bilingualism has had a positive effect in encouraging the growth of the digital media sector and a professional translation industry, primarily catering for the Welsh/English market. The Group recommends that consideration should be given to how the resultant bilingualism skills base can be used to cater for usage within existing markets and to develop new markets.

Recommendation 5

The evidence received suggests that there is a demand for a bilingual workforce to meet business and customer needs; this can be addressed by developing the linguistic skills and confidence to meet the requirements of businesses. To achieve this, the Group recommends that consideration should be given to extending the use of existing interventions such as the Brocer Iaith (Language Broker) model.

Recommendation 6

The Group recommends that there should be greater resources for promoting innovation, entrepreneurship, and potential careers in business to Welsh speaking students and young people, in particular the geographical extension of Llwyddo'n Lleol should be considered.

Recommendation 7

The Group recommends that businesses should be proactively provided with the opportunity to opt for Welsh language capabilities within existing Government funded training and skills programmes targeting young people. Examples include Go Wales, Jobs Growth Wales, and Entrepreneurship hubs.

The need to increase the value of the Welsh language as a skill for the workplace was a recurrent theme, both in evidence submitted to the Task and Finish Group and at *Y Gynhadledd Fawr*. This is not easily achievable and reflects the situation whereby whilst the increase in numbers of those able to speak the language is positive, it does not correspond with the number using it. Ensuring that the Welsh language is used naturally in all aspects of community life, including the provision of customer services, has already been identified as an aspiration of the Welsh Government's policy relating to the Welsh language.

It is recognised that the development of linguistic skills and raising confidence levels is a key to the normalisation of the use of Welsh in economic situations and to the more extensive use of the language in delivering services to the public in a wide range of situations. Evidence was obtained which showed that there was a significant interest amongst businesses in having Welsh speaking staff in their establishment.

The Group also presented a number of case studies highlighting the successful harnessing of the use of Welsh in business. The value of the use of champions and role models to promote the Welsh language is recognised. In this context, the Group was aware of, and appreciative of, Big Ideas Wales, the communications campaign managed by the Welsh Government that aims to encourage young people to be

more entrepreneurial. The Group was also aware of the range of provision which is available which can, potentially, respond to the issues raised in the various submissions.

The Group focused on the provision of business support services and training through the medium of Welsh. Whereas much of this support is already in place, there is a recognition that the level of take-up of Welsh language provision has not been high and that consideration should be given how further demand can be stimulated and alternative approaches developed.

The challenges facing the evolution of a business culture embracing the Welsh language are considerable. Technology increasingly dominates our life and in the business world, transactional services have an insatiable appetite for systems having the ability to transfer information, and data, electronically. This has developed further to include an expectation that technology can meet the demand for voice-based services and automatic processes. This suggests that there is a need to propel the language to an even higher technological plane.

The Welsh Government will:

- **Revise the Business Wales marketing campaign 2014-15 to include enhanced campaign activity specifically promoting the Welsh language provision.**
- **Undertake various actions to ensure that the system of learning and teaching Welsh recognises the requirement to facilitate individuals' confident use of the language.**
- **Consider how Big Ideas Wales and associated activity might be harnessed to ensure that "champions" and role models can be best used to promote the use of the Welsh language in business and encourage young Welsh speakers to embrace innovation and entrepreneurship.**
- **Collaborate with commercial organisations and academic institutions to facilitate the development of new digital language resources such as dictionaries, text analysis tools, speech technologies and translation tools.**
- **As outlined in the Skills Implementation Plan, remain committed to the availability of provision through the medium of Welsh as well as supporting the use of Welsh in the workplace. The recent report on Welsh language skills needs across key economic sectors highlighted the opportunities and challenges associated with the Welsh language within the workplace and within vocational education and training. Welsh Government will take further time to consider the information put forward within that report and how this can be used in delivering the Skills Implementation Plan.**
- **Ensure that there is a strong Welsh language dimension within the whole range of our programmes for promoting skills**
- **Work with external providers delivering services on behalf of Welsh Government to stimulate training delivered through the medium of Welsh.**

The power of networks

Recommendation 8

The Group recommends that encouragement should be given to the formation of clusters and networks of businesses utilising the Welsh language.

Recommendation 9

The Group recommends that resources are provided to establish on-line networks that will maintain contact with Welsh speakers who leave Wales to study or for employment purposes. These networks will serve to encourage experienced Welsh speakers to return to Wales and also raise awareness of opportunities available.

There are numerous examples of successful business groups and clusters which exist to provide forums which can facilitate the dissemination of information, promotion of best practice, and collaboration between businesses. In some areas there exists a sufficient critical mass of businesses or business people to support groups operating through the medium of Welsh. It is not the Welsh Government's responsibility to directly intervene in the formation of such groups but consideration will be given as to how we can support the positive relationship between business and the Welsh language through the medium of such groups.

Much has been written about the viability of the Welsh language in communities in which high percentage of Welsh speakers live, particularly so around the results of the 2011 Census. It is a strategic priority for the Welsh Government to support these communities as well as promoting the use of Welsh in those areas where the number of speakers is growing. As is the case in general, there is no doubt that the economic situation, and the availability of job opportunities in particular, is a major factor in the movement of Welsh speakers from their home communities and, indeed, Wales. Many of these are potential business and community leaders who can make a real difference to the communities of Wales.

Side by side with our activities to encourage inward investment by businesses, it is important that we do our utmost to identify such individuals living outside Wales and seek to benefit from their skills and acumen by utilising suitable marketing tools and using appropriate electronic media and social networks to encourage their relocation to Wales and/or participation in the development of the Welsh economy.

The Welsh Government will:

- **In the context of strengthening the work of the *Mentrau Iaith*, examine their potential role in facilitating the establishment and nurturing of local business networks operating through the medium of Welsh and linking those networks to provide synergies in relation to disseminating information and best practice.**
- **Seek to work in conjunction with higher and further education establishments, and other potential sources of information, to research an approach which might facilitate the establishment and development**

of a resource which will enable the interchange of information about those potentially seeking jobs in Wales and the opportunities available to them.

- **Consider whether activities relating to promoting trade and investment have a potential role in promoting the opportunities Wales offers to expatriates.**

Role of language bodies

Recommendation 10

The Group recommends that consideration should be given to the relative roles of Menter a Busnes and the Mentrau Iaith (Language Enterprises) in relation to the potential of giving the latter economic development responsibilities.

Recommendation 11

The Group recommends that Wales should learn from experience and good practice in other bilingual communities such as the Basque country, Quebec, and Catalunya.

A Menter Iaith, or language initiative, is a local organisation which offers support to communities to increase and develop their use of the Welsh language. A Menter offers advice and assistance to individuals, organisations and businesses, and organises activities to raise the profile of the Welsh language. The activities of the Mentrau (plural) will vary from area to area reflecting the demographic profile of Welsh speakers and the profile of the local economy.

The future of the Mentrau Iaith was the subject of considerable discussion in the draft policy document "*A living language: a language for living-moving forward*". The role of the Mentrau in delivering economic development support was part of that discussion. That document also set out what was expected of the Mentrau Iaith in return for our funding.

It is recognised that Wales can learn from elsewhere and can probably also teach others. The recommendation of the Group is noted and will be considered in future.

The Welsh Government will:

- **Explore the potential role for Mentrau Iaith in signposting enquiries to Business Wales.**
- **Maintain a dialogue with the Mentrau Iaith, reflecting upon the pilot projects in the Teifi Valley, and the initiatives outlined in *A living language: a language for living-moving forward*", to identify how they might contribute to the development of the economy.**
- **Consider where it can learn from best practice in relation to addressing the economic development needs of bilingual nations and regions or those having a significant proportion of minority language speakers.**
- **Lobby and work with relevant international networks to ascertain the latest developments elsewhere, seeking to influence international corporations to make provision for Welsh and other lesser-used languages.**

Creative Industries

Recommendation 12

Over recent years the Welsh Language Broadcast Media Industry has experienced a decline. The Group recommends that consideration should be given to assessing the linguistic and economic impact of this change, and the consequences for the future of employment in the sector. Further consideration should be given to how Content Producers in Wales might be best supported to maximise opportunities in the wider digital content production market.

In an increasingly multi-channel and multi-platform era, there has been a considerable change in the manner in which media is consumed which has had an effect on, for example, S4C. The Channel has faced a number of financial challenges which have seen it having to introduce changes which, in turn, have had an effect on the manner in which it commissions content from the production sector. This has led to a consolidation of the production sector and led to some job losses.

This issue has been considered by the Welsh Government's Broadcasting Advisory Panel and remains within its scope to consider in future, if needed.

There is a positive side to the evolution of the sector in that there is potential for projects, which by their nature could be multi-lingual (as they are already bilingual) to be commercialised in international markets. S4C through its Digital Fund (SDML – S4C Digital Media Limited) has identified this as a strength in many of the projects which it has supported, some jointly with Welsh Government's Digital Development Fund. Equally there are two content consumption markets (English and Welsh) which already results in increased work for agencies. In the period since the presentation of the Group's recommendations, S4C has taken the decision to relocate its headquarters to Carmarthen, citing the economic and linguistic benefits which it will bring to the town. The Swansea Bay City region has recognised that this development could provide a significant boost to the Welsh language, the economy and to creative industries in the region and are currently considering a range of priority projects for their potential to achieve transformational change,

We have built a close working relationship with the Welsh Language Digital Media team, for cross promotion and identification of common objectives to encourage Welsh Language product development. Welsh Language content producers are encouraged to take their products to international markets via events such as Games Developers Conference (GDC).

We have recently announced the recipients of the Welsh-language Technology and Digital Media Grant scheme. In this second year of the scheme nine companies will share over £185,000 to deliver activities that are aimed at promoting and facilitating the use of the Welsh language through technology and digital media.

Several of the activities involve the formation of digital networks and we believe that these networks will be powerful tools in promoting Welsh Language use in daily life, particularly amongst the young who in later years will enter the workplace and carry their Welsh Language skills with them.

Ensuring that Welsh language technology is readily available and that Wales is at the forefront of new developments, is key to normalising its use and we see the creative and digital sector industries having a key role to play in developing innovative technologies in this space. We hope that the applications for the 2015/16 funding round, open early in 2015, continue to be of high quality

The Welsh Government will:

- **Continue to monitor changes in the structure of the content production industry and its consequences.**
- **Continue to support innovation in relation to the use of Welsh by means of the Welsh-language Technology and Digital Media Grant scheme.**
- **Work with the Swansea Bay City region board to ensure that the opportunities for the Welsh language as a consequence of the relocation of S4C to Carmarthen are fully exploited.**

An area based approach

Recommendation 13

With a view to providing suitable policy responses, the Group recommends that the Welsh Government should examine the opportunities for, and threats to, the language in the city region(s) and larger urban areas from the point of view of economic development.

Recommendation 14

The Group recommends that there should be a joint approach to economic development and the language, adopting an area based approach which would facilitate the designation of “special economic language zones”.

Recommendation 15

Recognising the success of community development trusts such as Galeri, Caernarfon (formerly Cwmni Tref Caernarfon), in supporting economic regeneration, the Group recommends that pilot projects should be funded in towns in, and near, the Anglesey and the Snowdonia Enterprise Zones, and the Teifi Valley towns.

Recommendation 16

The Group recommends that the model provided by the Coleg Menai Apprenticeship Company is adapted to provide Welsh language apprenticeships in businesses in predominantly Welsh speaking areas.

We have consulted the Swansea Bay and South East Wales City Region Boards in relation to the findings of the Task and Finish Group report and both have responded positively to its contents. In response to recommendation 13, we will ask them further to identify the specific interventions that would positively act on the Welsh Language and the economy in their regions and seek their support to implement.

The Group’s recommendations reflect significant support for the development of a joint approach entitled “special economic language zones”. Specific areas such as Bangor, Aberystwyth, Carmarthen and their hinterlands were put forward as locations where such an approach could be adopted to address the challenges and opportunities facing the language in those areas. All three relatively large settlements are the subject of proposals which should provide opportunities for the language to flourish in different ways and we will monitor the effects of these proposals on economic activity through the medium of Welsh and consider the manner in which further positive developments may be facilitated.

Experience of successful programmes such as that undertaken by Galeri Caernarfon and which will be gained from pilot projects in the Teifi Valley will be evaluated and will guide further action in relation to developing and implementing area based approaches. This will include consideration in the context of regeneration initiatives, such as the Vibrant and Viable Places programme which currently supports projects in Holyhead and Colwyn Bay amongst other towns.

The Department for Education and Skills is taking a proactive approach in relation to Welsh Language and bilingual apprenticeships with the aim of stimulating demand.

The Coleg Menai Apprenticeship Company model is a form of shared apprenticeship which was created in response to the need for pump priming economic development in the region. The model effectively reduces barriers to participation by companies and this flexibility encourages businesses to consider apprenticeships. The geographical location and the needs of the companies involved have resulted in this provision being made available through the medium of Welsh.

The development of new shared apprenticeship models is being considered for Enterprise zones. Additional funds have been provided for a Shared Apprenticeship Scheme delivered by Coleg Cambria in conjunction with the Deeside Enterprise Zone and will enable entry in September 2014. The scheme will deliver Advanced Manufacturing and will be targeted at Small Medium Enterprises. The delivery of this scheme and future schemes through the medium of Welsh will also be encouraged as appropriate.

The Welsh Government will:

- **Ask the boards overseeing the two City Regions to identify the specific interventions that would positively impact upon the Welsh Language and the economy in their regions.**
- **Evaluate evidence from those specific areas where economic development and regeneration programmes have benefitted from a strong link with the Welsh language to guide future activity.**
- **Evaluate the results of pilot projects in the Teifi Valley to inform best practice.**
- **Continue to adopt a proactive approach to the provision of bilingual apprenticeships and stimulating demand for Welsh language provision.**

Infrastructure

Recommendation 17

The Group recommends that the Welsh language should be a consideration in rolling out the Superfast Broadband programme in the immediate future so that those businesses in the remaining strongly Welsh speaking areas such as the Teifi Valley may enjoy the benefits currently available in areas in the north west of Wales.

Recommendation 18

The Group recommends that research should be undertaken to examine the effect of improving road and rail communications and public transport services between the strongly Welsh speaking areas and employment centres on the main transportation corridors.

Recommendation 19

The Group recommends that the role of housing associations in promoting and facilitating community economic development should be further developed.

We welcome the fact that the report has recognised the vital role that high quality telecommunications has in promoting the Welsh language. We recognise the importance of high quality telecommunications as an enabler, It is perhaps worth recognising as well that delivery in rural areas is a huge challenge – if it were not, then the private sector would have dealt with the issues already. Consequently construction will take time.

Since the completion of the Task and Finish Group's report there has been further progress with the roll-out of superfast broadband including roll-out in the Teifi valley. The good news here is that we have already made real progress elsewhere in Wales (150,000 premises already passed, out of a total of around 690,000 planned, with a target of 450,000 by the end of March 2015).

There has been considerable expenditure on the trunk road network in recent years, improvements to the A470 and A487 are good examples. The recently announced A487 Caernarfon bypass will provide improved links to the A55 corridor and, importantly, will reduce journey times between south Gwynedd and job opportunities such as those to be provided at Wylfa Newydd. This complements the proposals for further investment in improvements to public transport.

At *Y Gynhadledd Fawr* evidence was presented which highlighted the positive effect of road improvements on job opportunities for Welsh speakers in north west Wales. Further research will be undertaken with a view to understanding this relationship.

We agree with the recommendation relating to an enhanced role for the Housing Associations in relation to community economic development. In this context it is pertinent to note the ongoing work in planning that has the potential to positively impact on the Welsh language.

We have recently issued updated guidance on Planning and the Welsh language within Technical Advice Note (TAN) 20. This enables local planning authorities to

build Welsh language considerations into the strategy, policies and site allocations of their local development plans. Further technical guidance on that process will be published soon. The TAN and the practical guidance support the broad policy contained in Planning Policy Wales.

The Welsh Government will:

- **Continue to rollout Superfast Broadband in partnership with its delivery partner, BT.**
- **With specific reference to the Teifi Valley, the construction of high speed broadband infrastructure is already underway, we will continue to monitor and review progress as the project develops in the area**
- **Will research the link between enhanced communication, connectivity and access, the Welsh language, and economic development with a view to developing new policy responses.**
- **In relation to the enhanced role of Housing Associations, ensure that officials work with all interested parties to support future development and implementation.**
- **Continue to provide guidance to local planning authorities regarding the interests of the Welsh language in planning strategy, policies, and site allocations.**

Business support

Recommendation 20

Evidence from the review suggests that there are differences between small enterprises and larger businesses in terms of their use of the Welsh language. Where a small business recognises that there are commercial advantages to increasing use of the Welsh language, the Group recommends that there should be a range of practical support available to it.

Case studies highlighted within the Task and Finish Group report, noted that that businesses would find support of a practical nature the most valuable.

We have recently announced the Teifi Valley pilot project as a mechanism to jointly address some of the recommendations raised in the report of the Teifi Valley Local Growth Zone Report and also those raised by this Task and Finish Group.

The pilot will test the concept of Welsh Language Business Support Surgeries and a Welsh Language SME Support Fund.

Welsh Language Business Support Surgeries would comprise both of Welsh language provision of existing services and of more specific sessions focussing on the potential of exploiting Welsh language to economic advantage. The surgeries will aim to support businesses to identify opportunities to maximise use of the language to support their business as well as providing access to a Welsh Language SME Support Fund.

Subject to the participation in a Welsh Language Business Support Surgeries, access to a Welsh Language SME Support fund will be made available to SMEs in the Teifi Valley wishing to maximise opportunities of the Welsh Language to their business. Examples of opportunity include, but not exclusive to are; marketing materials, branding, signage, e-enabled sales through bilingual/Welsh language websites;

The Welsh Government will:

- **Review the Teifi Valley pilot projects.**

Procurement

Recommendation 21

The definition of community benefits emanating from the current approach to public sector procurement makes no reference to the consideration of the benefits accruing to the Welsh language and Welsh speakers. The Group recommends that the provisions relating to securing equality and diversity should be extended to provide for these interests.

Recommendation 22

The Group recommends that as appropriate, public sector contracts put out to tender should require tenderers to demonstrate an ability to provide a service bilingually, particularly those delivered to the general public.

There are already measures in place in the Welsh Public Sector to prompt consideration of Welsh Language requirements during the procurement process. The Sustainable Risk Assessment (SRA) templates have been recently updated and now include a question to ensure consideration of Welsh Language issues. Similarly the SQuID (Supplier Qualification Information Database) includes questions on compliance with Welsh Language legislation and bidders' ability to deliver services in Welsh.

The main aims of our community benefits policy are to target recruitment and training and supply chain initiatives, thus linking to the Tackling Poverty Action Plan, and these need to remain the focus. Under the Community Benefits Guidance produced by Value Wales, equality and diversity is also an area that can be considered 'where it can add value'.

The inclusion of Welsh Language requirements needs to be proportionate and related to the subject matter – opportunities and scope to act will be determined to a large extent by the nature of the contract. It is the responsibility of individual contracting authorities to make the best informed choice as to the community benefits they want to see included in their contracts depending on what they are buying and it will need to be made clear that they need to be able to justify their approach and priorities in accordance with their own Welsh language policies.

A proportionate and reasonable approach will need to be adopted for all contracts to avoid smaller suppliers and third sector firms being unfairly precluded from bidding for public sector work in Wales due to Welsh Language requirements.

The Welsh Government will:

- **In accepting the recommendations of the Task and Finish Group in principle, consider the manner in which they may be applied in practice in an appropriate and proportionate manner.**
- **Disseminate appropriate guidance to the wider public service in Wales.**

Grant Support

Recommendation 23

The Group recommends that businesses in receipt of a grant from the Welsh Government should be required to demonstrate an ability to provide a service bilingually. Any signage or other advertising material relating to a grant-aided project should be bilingual.

The Welsh Government is committed to affording the Welsh and English languages parity of treatment and this extends to the way in which grants are awarded. When awarding grants to any person for specific activities, there is a commitment to ensuring that appropriate use is made of each language.

In developing and administering Grant schemes, officials are required to take into account the requirements of the Government's Welsh Language Scheme, which has been guided, in particular, by the Welsh Language Commissioner's guidelines.

Not all grant activity will require the use of language. For example, where a grant funds the purchase of a machine for use by a company's employees, there will be no language requirements. However, where a grant funds signage, for example, consideration must be given to Welsh and English language requirements. Many grants will include activity where the use of language is a requirement.

Welsh language standards are currently being drafted, under the auspices of the Welsh Language Measure 2011. Standards are expected to be made applicable to the Welsh Government, in its case in 2015. These will include developing and adopting standards relevant to awarding grants that will come under the service delivery standards category.

The Welsh Government will:

- **Consider the recommendations of the Group in the context of reviewing the guidance relating to the award of grant aid or other similar financial assistance.**
- **Be cognisant of the recommendations as it develops standards in accordance with the requirements of the Welsh Language (Wales) Measure 2011.**

Economic data

Recommendation 24

The Group recommends that the Welsh Government provides resources to gather evidence on the impact of, and the links between, the Welsh language and the economy. This evidence is needed to persuade business of the benefits of operating bilingually.

The Welsh Government believes that the Task and Finish Group made good progress in interpreting existing evidence on the links between the Welsh language and the economy.

Since the publication of the Group's report, the Welsh Language Skills Needs in Eight Sectors Report has been published. The report has provided information on employers' perceptions about the impact of the use of the Welsh language on their businesses bottom line. These findings are already informing the development of policies and programmes to support individuals to enter employment with the Welsh language skills required by employers.

The Welsh Language Use Survey 2014-15, jointly funded by Welsh Government and the Welsh Language Commissioner, will provide us with comprehensive evidence about the use of Welsh in the workplace.

Evidence suggests that, when compared to the number of Welsh speakers across the population, the take up of business support through the medium of Welsh is lower than expected. For example the number of calls made to the Business Wales helpline was less than 3% of all calls made during the last financial year. There is thus a need to understand the barriers to the uptake of existing services and how these and future services can be made more accessible.

We recognise that additional work is required to further explore the linkages between the Welsh Language and the economy to and therefore we accept this recommendation.

The Welsh Government will:

- **Commission research to enhance the evidence on the links between the Welsh language and the economy.**
- **Commission research to understand:**
 - **the barriers to the uptake of existing business support services provided through the medium of Welsh; and**
 - **how current and future business support services provided through the medium of Welsh can be made more accessible.**

Future governance

Recommendation 25

The Group recommends that an independent panel be established which would provide the Minister with advice on how the Welsh language can benefit from, and contribute to economic development, building upon the recommendations made in this report.

Recommendation 26

The Group recognises that the Welsh Government's role is not to enforce the use of Welsh language on business but rather to support, signpost, and simplify its use.

Recommendation 27

The Group recommends that the current arrangements for monitoring equality issues in the Department for Economy, Science and Transport be reviewed with a view to encompassing a more strategic approach to matters relating to the Welsh language, including from the viewpoint of the manner in which the Department interfaces with business.

The Department for Economy, Science, and Transport currently harnesses a range of expertise and experience through a number of advisory groups. These include, amongst others, the Enterprise Zones and City Regions Boards, the Business Wales Strategic Board, and several Sector Panels.

These advisory groups have not been specifically tasked with looking at the Welsh language in the context of their work. However, in light of Recommendation 25, work will take place to review the Terms of Reference for all existing advisory groups to identify the relevance of introducing a Welsh language provision. This could include a requirement to consider how the Welsh language and bilingualism can support business growth and economic development, and how economic development can support the Welsh language

The membership of these advisory groups, where relevant, will also be reviewed and, potentially, amended to ensure that the relevant skills and experience are present within the advisory group to enable it to successfully discharge its responsibilities in relation to the additional requirement.

In its report, the Task and Finish Group recognised that the challenges concerning the Welsh Language are complex and that the business community, in particular, found the navigation of issues related to Welsh Language difficult and unclear. We agree with the Group's recommendation that Welsh Government's role is to support industry to increase the use of Welsh in the workplace and to encourage a positive attitude to the language. The responses in this document outline the initial steps we will be taking to implement this process.

Through our business facing officials in the Department for Economy, Science and Transport, we are in a position to offer support to business owners by sharing best practice and highlighting the benefits that use of the Welsh language could have for their business. Internal training will be reviewed, and adapted as required, to remind

staff of their responsibilities, and to ensure that they are aware of the latest tools available to facilitate and promote the use of the Welsh language in order that they are widely shared with business. Guidance on the emerging Welsh Language Standards will also fall within the scope of this training.

The Department for Economy, Science and Transport is working to deliver a fully bilingual service and all communications, publications, and websites are delivered in both Welsh and English in line with the relevant Welsh Government policies. The Department already has systems to collect data relating to the preferred language of individuals and businesses and these will be reviewed in line with the future, requirements relating to Welsh Language Standards. With specific respect to the Department's interface with business, the steps outlined elsewhere in this document, concerning the current and proposed research and business support activities, will inform an improved strategic approach to matters relating to the Welsh language.

The Welsh Government will:

- **Review the terms of reference and membership of existing advisory groups to ensure that the Welsh Language and its interests are a consideration in their deliberations.**
- **Review existing internal training within the Department for Economy, Science, and Transport with a view to ensuring that staff appreciate the context of the use of the Welsh Language in relation to business and are equipped to signpost appropriate support.**
- **As part of its regular monitoring of equality issues, and with a view to the development of a strategic approach, review the extent of use of the Welsh language in relation to business support services.**