

**Enterprise, Innovation and Networks Committee**

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# **Quarterly Statistical Report**

**Enterprise, Innovation  
and Networks  
Committee**

**MARCH 2007**

**Economic and Labour Market Statistics  
Statistical Directorate**

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## INTRODUCTION

This report provides a summary of the economic and labour market statistics released in recent months.

The report is divided into quarterly and annual data sections. The quarterly data section provides the latest quarterly (or monthly) data and generally shows the change since the previous quarter as well as on the same period in the previous year. The annual data section provides a summary of data compiled on an annual basis that have been released since the last report in September 2006; a summary table of headline indicators is also given in this section.

### **NOTE: THE ANNUAL POPULATION SURVEY AND SUB-WALES LABOUR MARKET INFORMATION**

Since 2001, annual Local Labour Force Survey (LLFS) data collected in Wales have been based on a significantly enhanced sample. This larger sample allows for more detailed and more robust analysis, particularly for sub-Wales geographies.

Recent developments in the LLFS have led to the Annual Population Survey (APS) which now provides for annual datasets updated on a rolling quarterly basis. Thus APS data for the year ending 30 June 2006 used in this report and published in December 2006 will be updated at the end of March 2007 with data for the year ending 30 September 2006.

The APS data are used in this report for the sub-Wales labour market information in table 2 and figure 2. They are also the main source for the workplace employment estimates in table 9. It should be noted that the population estimates used in deriving these sub-Wales results are *not* the latest available, unlike those used in deriving the *headline* LFS labour market results for Wales and the UK in table 1 and figure 1.

In fact, the population estimates used for the APS data are a little lower and are growing less quickly than the latest population estimates. Thus the APS results are generally lower in terms of employment, activity and unemployment *levels* (and changes in levels) than those produced from the headline LFS. For example, the current employment level in Wales using the headline LFS is around 20,000 higher than the APS would show. The impact on the unemployment level is smaller as the levels are much lower, but the discrepancy needs to be borne in mind when making comparisons. Note that the effects on employment, activity and unemployment *rates* are much less, as the calculation divides one quantity by another, both of which are similarly affected.

In order to adjust the APS data so that it uses the latest population estimates, ONS needs to adjust the weight applied to each and every case in the APS sample, and their current systems do not allow for this to be done easily. However, the ONS are expecting a system upgrade in the summer of 2007, which will enable them to incorporate the latest population upgrades into the APS much more readily.

# 1 QUARTERLY DATA

## 1.1 THE LABOUR MARKET

**Table 1 Employment, unemployment and inactivity: Wales and the UK**

*levels in thousands, seasonally adjusted*

		Nov 2005 - Jan 2006	Aug 2006 - Oct 2006	Nov 2006 - Jan 2007	Change in latest over:	
					Previous quarter	Previous year
<b>Employment <sup>1</sup></b>						
Wales	<i>level</i>	1,323	1,339	1,352	13	29
	<i>rate (%)</i>	71.7	71.7	72.2	0.5	0.5
UK	<i>level</i>	28,801	29,005	29,022	18	221
	<i>rate (%)</i>	74.5	74.5	74.4	-0.1	-0.1
<b>ILO unemployment <sup>2</sup></b>						
Wales	<i>level</i>	70	75	74	-1	4
	<i>rate (%)</i>	5.0	5.3	5.2	-0.1	0.1
UK	<i>level</i>	1,541	1,695	1,692	-3	151
	<i>rate (%)</i>	5.1	5.5	5.5	0.0	0.4
<b>Economic inactivity <sup>3</sup></b>						
Wales	<i>level</i>	434	431	424	-7	-10
	<i>rate (%)</i>	24.4	24.2	23.8	-0.4	-0.7
UK	<i>level</i>	7,948	7,835	7,877	42	-71
	<i>rate (%)</i>	21.4	21.0	21.1	0.1	-0.3

1. Levels are for those aged 16 and over, rates are for those of working age (males aged 16-64, females aged 16-59).
2. Levels and rates are for those aged 16 and over. The rate is as a proportion of economically active (employed plus ILO unemployed). The International Labour Organisation (ILO) definition of unemployment covers those who are out of work and want a job, have actively sought work in the last 4 weeks and are available to start work in the next two weeks; plus those who are out of work, have found a job and are waiting to start in the next 2 weeks.
3. Levels and rates are for those of working age (males aged 16-64, females aged 16-59).

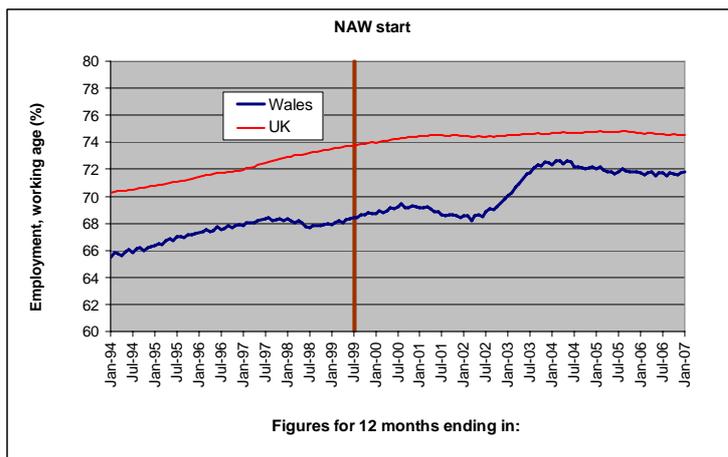
**Source: Labour Force Survey (LFS), ONS**

For the three months to January 2007:

- The employment level in Wales *increased* by 29,000 over the previous year and by 13,000 over the previous quarter. The rate *increased* by 0.5 percentage points over both the year and the quarter.
- ILO unemployment rates for Wales *increased* over the year (*up* 0.1 percentage points [pp]) and *decreased* over the quarter (*down* 0.1 pp), whilst economic inactivity rates for Wales *decreased* over both the year (*down* 0.7 pp) and the quarter (*down* 0.4 pp).
- The employment rate for the UK as a whole *decreased* by 0.1 pp over the year, whilst the unemployment rate *increased* by 0.4 pp and the rate of economic inactivity *decreased* by 0.3 pp.

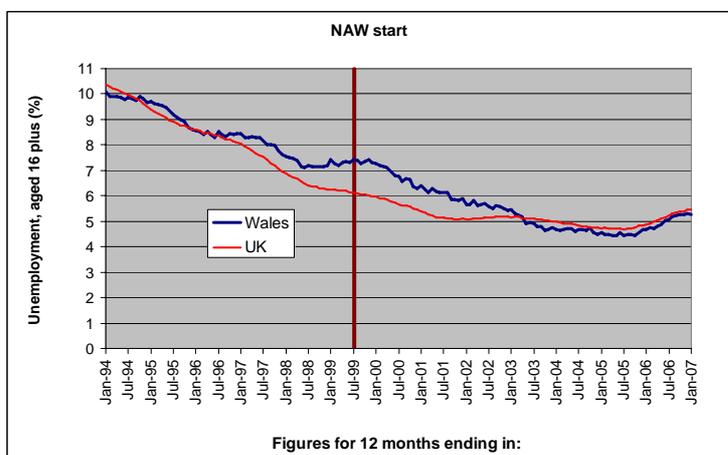
All of the estimates from the LFS are subject to sampling variation, which means that changes over time can be quite volatile, particularly for an area the size of Wales. It is therefore often more appropriate to examine the trend in a particular measure. The trend in the LFS measures given in table 1 can be seen from a 12 month rolling average and longer term results for Wales on this basis are shown in figure 1 over the page.

**Figure 1 12 month rolling average figures for LFS employment, ILO unemployment and inactivity rates: Wales and the UK**



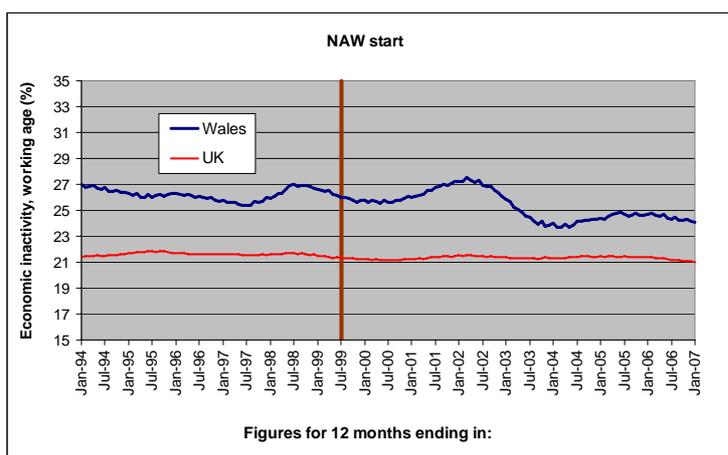
The Welsh employment rate is a little below the peak seen during 2003 and 2004, but remains well above historical levels.

The average employment rate for Wales for the 12 months ending January 2007 was 71.8%, up 0.1 percentage points (pp) over the corresponding period a year earlier and a rise of 3.1 pp over 1999. The UK average employment rate was 74.6% in the 12 months ending January 2007, a rise of 0.6 pp over 1999.



The unemployment rate has shown a fairly steady downward trend since the early 1990s but with an upturn over the last year.

The average unemployment rate for Wales for the 12 months ending January 2007 was 5.3%, a rise of 0.6 pp over the year and a fall of 2.0 pp over 1999. The UK average unemployment rate was 5.5% in the 12 months ending January 2007, a fall of 0.5 pp over 1999.



The Welsh economic inactivity rate grew over the period 1999 to 2001, before falling in 2002 and 2003. It increased slightly in 2005 before falling back again slightly during 2006.

The average economic inactivity rate for Wales for the 12 months ending January 2007 was 24.1%, a fall of 0.6 pp over the corresponding period a year earlier and a fall of 1.7pp over 1999. The UK average economic inactivity rate was 21.0% in the 12 months ending January 2007, a fall of 0.2 pp over 1999.

**Table 2 Employment, unemployment and inactivity:  
West Wales and the Valleys and East Wales<sup>1</sup>**

*levels in thousands*

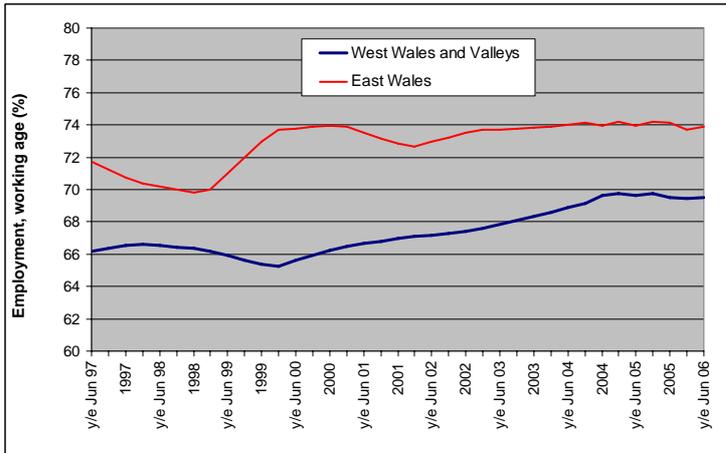
		1999	Year to Jun 2005	Year to Jun 2006	Change in latest over:	
					Previous year	1999
<b>Employment<sup>2</sup></b>						
West Wales and the Valleys	<i>level</i>	731	797	797	0	66
	<i>rate (%)</i>	65.2	69.6	69.5	-0.2	4.3
East Wales	<i>level</i>	473	494	497	3	24
	<i>rate (%)</i>	73.6	73.9	73.9	-0.1	0.3
Wales <sup>1</sup>	<i>level</i>	1,204	1,291	1,294	3	90
	<i>rate (%)</i>	68.2	71.2	71.1	-0.1	2.9
United Kingdom <sup>1</sup>	<i>level</i>	26,908	28,069	28,154	85	1,246
	<i>rate (%)</i>	73.6	74.3	74.1	-0.3	0.5
<b>ILO unemployment<sup>3</sup></b>						
West Wales and the Valleys	<i>level</i>	58	43	46	3	-12
	<i>rate (%)</i>	7.4	5.1	5.4	0.3	-1.9
East Wales	<i>level</i>	32	22	25	3	-7
	<i>rate (%)</i>	6.4	4.3	4.8	0.5	-1.6
Wales <sup>1</sup>	<i>level</i>	90	65	71	6	-19
	<i>rate (%)</i>	7.0	4.8	5.2	0.4	-1.8
United Kingdom <sup>1</sup>	<i>level</i>	1,689	1,393	1,548	155	-140
	<i>rate (%)</i>	5.9	4.7	5.2	0.5	-0.7
<b>Economic inactivity<sup>4</sup></b>						
West Wales and the Valleys	<i>level</i>	323	292	291	-0	-32
	<i>rate (%)</i>	29.5	26.5	26.4	-0.1	-3.1
East Wales	<i>level</i>	132	147	145	-2	13
	<i>rate (%)</i>	21.3	22.7	22.3	-0.4	1.0
Wales <sup>1</sup>	<i>level</i>	455	438	436	-2	-19
	<i>rate (%)</i>	26.5	25.1	24.9	-0.2	-1.7
United Kingdom <sup>1</sup>	<i>level</i>	7,699	7,965	7,953	-12	254
	<i>rate (%)</i>	21.7	21.9	21.8	-0.1	0.1

1. Data for sub-regions of Wales given in this table, along with the comparable Wales and UK figures, are taken from the annual Labour Force Survey datasets (now known as the Annual Population Survey). Although these are less timely than the quarterly datasets used to provide the headline data for Wales and the UK in table 1 and figure 1, the annual datasets have, since 2001, been based on a boosted sample of households, thus providing more robust results at the sub-Wales level. The annual datasets differ from the headline quarterly datasets for a number of other reasons apart from timing reasons, mainly because they do not reflect the latest population estimates. This has little effect on the rates but does affect the levels estimates.
2. Levels are for those aged 16 and over, rates are for those of working age (males aged 16-64, females aged 16-59).
3. Levels and rates are for those aged 16 and over. The rate is as a proportion of economically active (employed plus ILO unemployed). The International Labour Organisation (ILO) definition of unemployment covers those who are out of work and want a job, have actively sought work in the last 4 weeks and are available to start work in the next two weeks; plus those who are out of work, have found a job and are waiting to start in the next 2 weeks.
4. Levels and rates are for those of working age (males aged 16-64, females aged 16-59).

**Source: Local Labour Force Survey (LLFS), ONS/Annual Population Survey (APS), ONS**

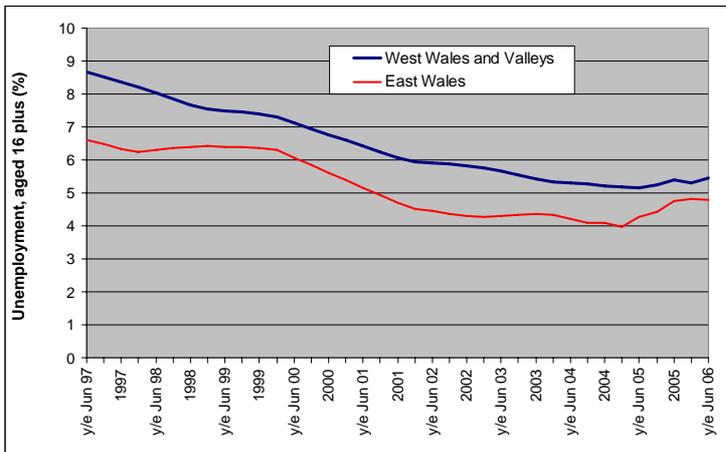
The trend in the LFS measures given in table 2 for West Wales and the Valleys and East Wales are shown in figure 2 over the page.

**Figure 2 Rolling annual average figures for LFS employment, ILO unemployment and inactivity rates: West Wales and the Valleys and East Wales**



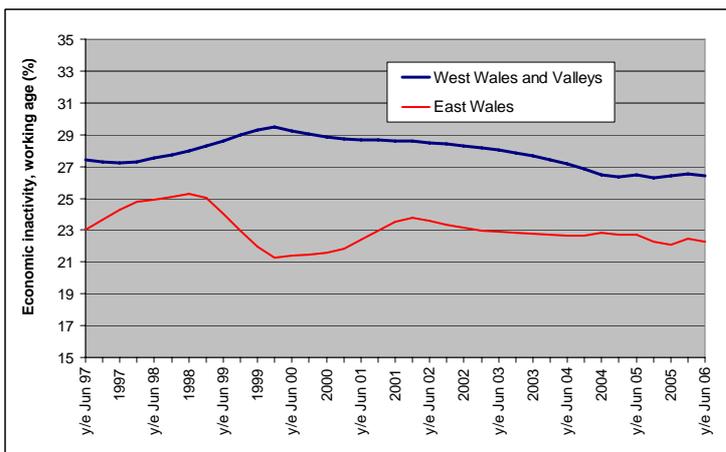
For the 12 months ending in June 2006 the average employment rate in West Wales and the Valleys was 4.3 percentage points (pp) *higher* than the average for 1999. For East Wales the rate was 0.3 pp *higher*.

There has been a fairly steady upward trend since 1999 with a recent levelling off in West Wales and the Valleys and a more volatile pattern in East Wales.



For the 12 months ending in June 2006 the average unemployment rate in West Wales and the Valleys was 1.9 percentage points (pp) *lower* than the average for 1999. For East Wales the rate was 1.6 pp *lower*.

The trend in both areas has been generally downward, with a recent slight upturn and levelling off.



For the 12 months ending in June 2006 the average economic inactivity rate in West Wales and the Valleys was 3.1 percentage points (pp) *lower* than the average for 1999. For East Wales the rate was 1.0 pp *higher*.

The trend has been downward in West Wales and the Valleys since 1999 with a recent levelling off. In East Wales, the trend was upward in 2000 and 2001 with a downward trend since then.

**Table 3 Employee jobs (seasonally adjusted) and workforce jobs:  
Wales and the UK<sup>1</sup>**

	Number of jobs ( <i>thousands</i> ):				% change in latest over:		
	Sep 1999	Sep 2005	Jun 2006	Sep 2006	Jun 2006	Sep 2005	Sep 1999
<b>Employee jobs (seasonally adjusted):</b>							
Wales	1,077	1,168	1,192	1,198	0.5	2.6	11.2
UK	25,303	26,647	26,819	26,824	0.0	0.7	6.0
<b>Workforce jobs (not seasonally adjusted):</b>							
Wales	1,251	1,355	..	1,397	..	3.2	11.7
UK	29,035	30,620	..	30,908	..	0.9	6.5

1. The employee jobs data are seasonally adjusted and exclude the self-employed. The data are a count of jobs (on a workplace basis) rather than people, so that if a person holds two jobs, each job will be counted in the total. The workforce jobs data, which include self-employment jobs, are not seasonally adjusted and so a quarterly change is heavily affected by seasonal factors and not shown.

**Source: Short Term Employment Surveys and Labour Force Survey (ONS)**

- Over the year to September 2006, employee jobs in Wales *increased* by 2.6%, compared to an *increase* of 0.7% across the UK as a whole. Between September 1999 and September 2006, employee jobs *increased* by 11.2% in Wales, compared to an *increase* of 6.0% across the UK over the same period.
- Workforce jobs in Wales *increased* by 3.2% over the year to September 2006, compared to 0.9% across the UK as a whole.

The ONS Short Term Employment Surveys (STES) data used to provide the employee jobs element of the data in table 3 are also available by industry (although the industry data are not seasonally adjusted). The workforce jobs data, which also include self-employment jobs, however, are **not** available by industry. When looking at the industrial structure of workplace employment, it is important to note that self-employment jobs are distributed between industries in different proportions than employee jobs. For example agriculture and construction have much higher shares of total self-employment jobs than of total employee jobs.

Using a combination of sources, most notably the Local Labour Force Survey/Annual Population Survey and the Annual Business Inquiry, the Welsh Assembly Government has published an **annual** series of **total** workplace employment (or jobs) by industry for Wales, **including self-employment**. These data are given in table 9 on page 17 and are the only source of **total** workplace employment by industry for Wales.

Unfortunately, the data by industry in table 9 are currently only published to 2004, as later Annual Business Inquiry data used to derive the industry breakdown were not available at the time of publication. Thus to consider more recent change in industrial structure, it is necessary to return to the STES data used in table 3, which as mentioned above, cover employees only. The latest year-on-year changes in industrial structure as indicated by the STES data are shown in table 4 over the page.

**Table 4 Employee jobs by industry: Wales and the UK<sup>1</sup>**

	Number of employee jobs (thousands):		Changes:	
	Sep 2005	Sep 2006	Number	Percentage
<b>Wales:</b>				
Agriculture, forestry and fishing	12	14	2	13
Mining, energy and water supplies industries	7	8	1	16
Manufacturing industries	177	170	-7	-4
Construction	49	67	18	36
Retail, wholesale, hotels and restaurants	282	288	6	2
Transport, storage and communication	55	54	-0	-0
Finance and business activities	136	139	3	2
Public administration, education and health	391	398	7	2
Other industries	66	67	1	2
<b>All industries</b>	<b>1,174</b>	<b>1,205</b>	<b>31</b>	<b>3</b>
<b>United Kingdom:</b>				
Agriculture, forestry and fishing	232	242	9	4
Mining, energy and water supplies industries	163	171	9	5
Manufacturing industries	3,108	3,037	-71	-2
Construction	1,234	1,288	55	4
Retail, wholesale, hotels and restaurants	6,423	6,409	-14	-0
Transport, storage and communication	1,589	1,583	-5	-0
Finance and business activities	5,332	5,419	87	2
Public administration, education and health	7,158	7,237	79	1
Other industries	1,401	1,428	27	2
<b>All industries</b>	<b>26,640</b>	<b>26,815</b>	<b>175</b>	<b>1</b>

1. These data exclude self-employment jobs. Also see the footnote to table 3 and the notes following table 3.

**Source: Short Term Employment Surveys (ONS)**

- Over the year to September 2006, the number of *employee* jobs in manufacturing in Wales *fell* by 4%, whilst there were *rises* in construction (up 36%), and across most service industries.
- A similar pattern of change was evident across the UK as a whole over the same period.

**Table 5 Claimant count: Wales and the UK**

*thousands, seasonally adjusted: workforce<sup>1</sup> based rates*

		Feb 2006	Jan 2007	Feb 2007	<b>Change in latest over:</b>	
					Previous month	Previous year
<b>Wales</b>	<i>level</i>	44.4	42.4	42.5	0.1	-1.9
	<i>rate (%)</i>	3.2	3.0	3.1	0.0	-0.1
<b>UK</b>	<i>level</i>	925.0	926.0	922.2	-3.8	-2.8
	<i>rate (%)</i>	2.9	2.9	2.9	0.0	0.0

1. Claimant count rates in this table are calculated using workforce-based denominators. However, claimant count rates for local areas within regions are now calculated using residence-based denominators - please see the footnote to table 6.

**Source: Jobcentre Plus administrative system**

- In February 2007, the claimant count levels *fell* in both Wales and the UK compared to the same period a year ago. The rate also *fell* in Wales whilst remained *unchanged* in the UK.
- The claimant count level *rose* slightly compared to the previous month in Wales, but *fell* in the UK as a whole.
- In February 2007, the claimant count rate in Wales was 3.1%, 0.2 percentage points *higher* than the corresponding UK figure.

**Table 6 Claimant count: West Wales and the Valleys and East Wales<sup>1</sup>**

*thousands, not seasonally adjusted: residence<sup>2</sup> based rates*

		Feb 2006	Feb 2007	<b>Change:</b>
<b>Wales<sup>2</sup></b>	<i>level</i>	48.3	46.2	-2.1
	<i>rate (%)</i>	2.7	2.6	-0.1
<b>West Wales and the Valleys<sup>2</sup></b>	<i>level</i>	32.3	31.0	-1.3
	<i>rate (%)</i>	2.9	2.8	-0.1
<b>East Wales<sup>2</sup></b>	<i>level</i>	16.0	15.2	-0.8
	<i>rate (%)</i>	2.4	2.3	-0.1

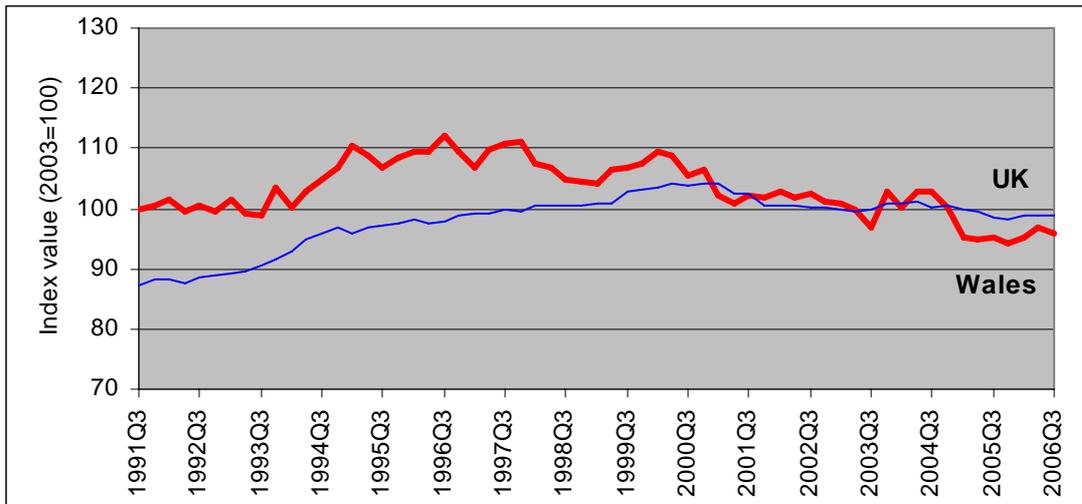
1. The figures in this table are not seasonally adjusted and so the levels are also not comparable to those given in table 5. A monthly change is not shown, as this would be heavily affected by seasonal factors.
2. Claimant count rates in this table are calculated using residence-based denominators, which is now the standard method for calculation of rates for local areas within regions and removes distortions due to commuting flows. Claimant count rates at the regional level are calculated on both a workforce basis (as given in table 5) and a residence basis - they are published on a workforce basis when compared to other UK regions, and on a residence basis when compared to local areas within regions.

**Source: Jobcentre Plus administrative system**

- In February 2007, the claimant count levels and rates *fell* in both the Objective 1 area (West Wales and the Valleys) and in East Wales over those in February 2006.

## 1.2 THE ECONOMY

**Figure 3.1 Index of Production<sup>1</sup>: Wales and the UK**

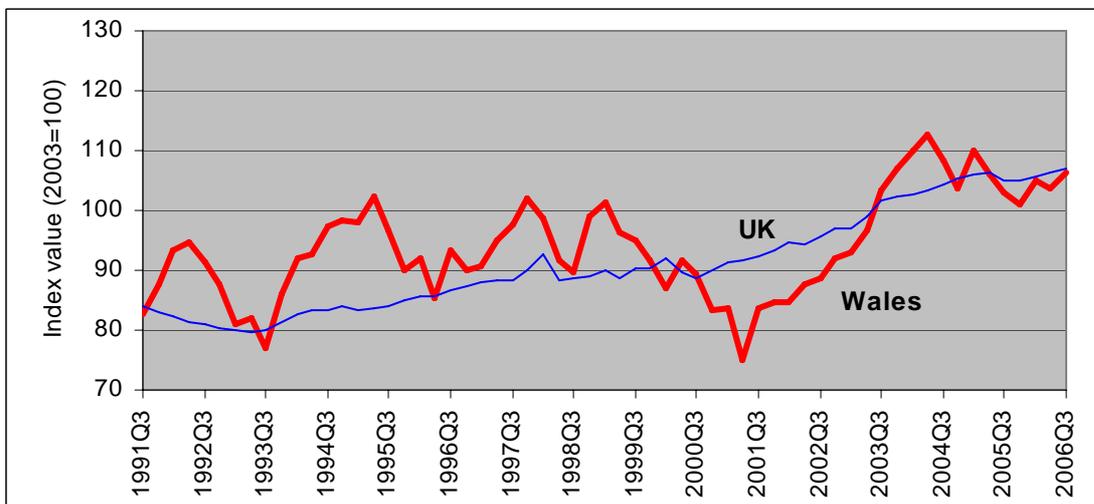


1. Production industries are manufacturing, mining and quarrying and electricity, gas and water.

**Source: Welsh Assembly Government and ONS**

- The Index of Production for Wales for the latest four quarters *fell* by 0.9% compared with the previous four quarters. There was an *increase* in the mining and quarrying sector, which was offset by a *decrease* in the manufacturing sector. The UK index also *fell* by 0.9% over the same period.

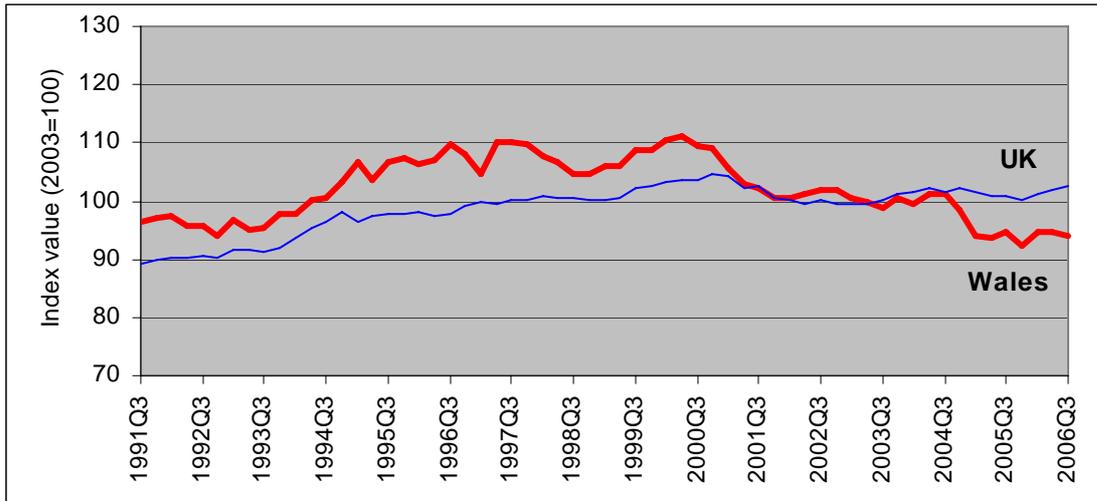
**Figure 3.2 Index of Construction: Wales and the UK**



**Source: Welsh Assembly Government and ONS**

- Construction output over the latest four quarters *fell* by 1.5% compared with the previous four quarters. There was a *rise* in the UK index of 0.3% during this period.
- Construction output for the latest quarter *rose* by 2.6% compared with the previous quarter. The UK figure showed a *rise* of 0.6% over the same period.

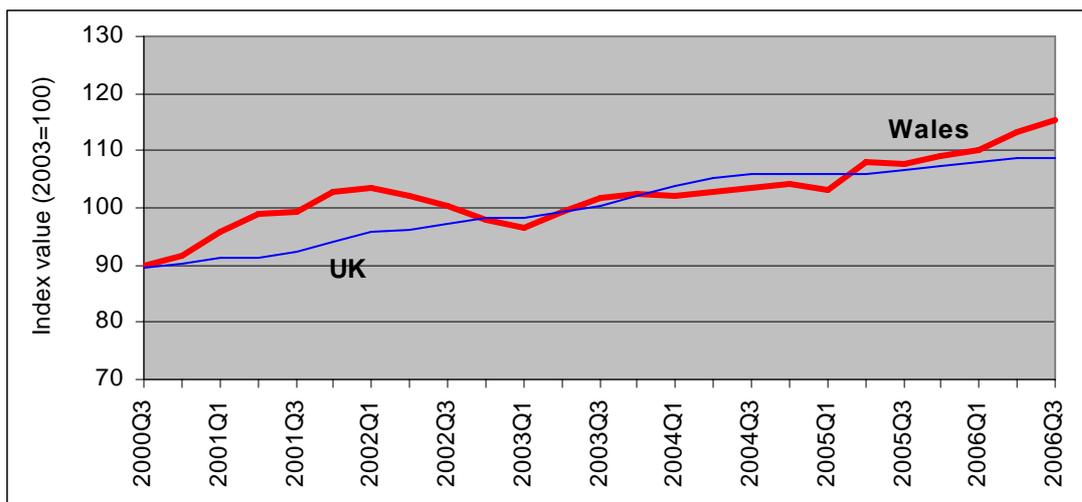
**Figure 3.3 Index of Manufacturing: Wales and the UK**



**Source: Welsh Assembly Government and ONS**

- Manufacturing output over the latest four quarters *fell* by 1.3% compared with the previous four quarters. Manufacturing output in the UK *rose* by 0.1% during this period.
- Manufacturing output for the latest quarter *fell* by 0.7% compared with the previous quarter. The UK index *rose* by 0.7% over the same period.

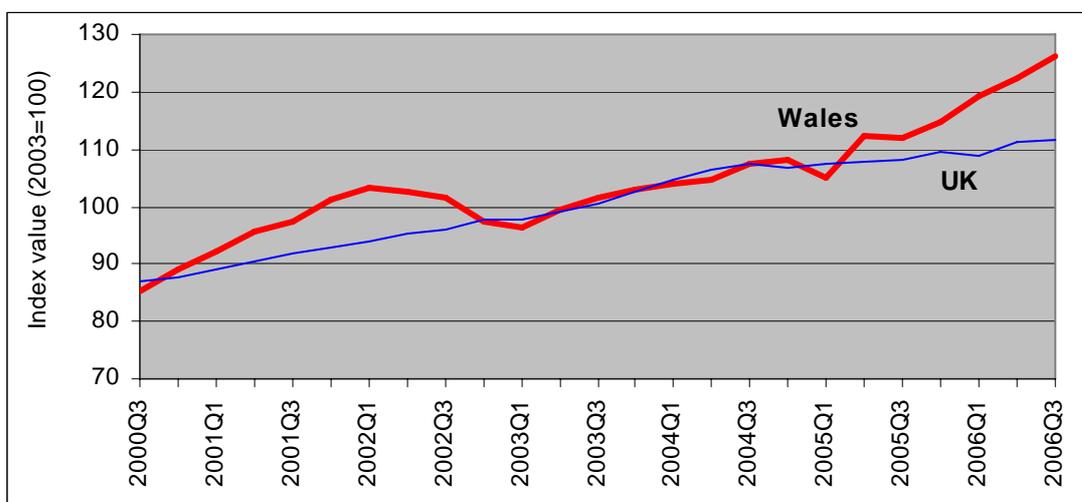
**Figure 4.1 Experimental Index of Distribution: Wales and the UK**



Source: Welsh Assembly Government and ONS

- The Index of Distribution for Wales for the latest four quarters *rose* by 5.8% compared with the previous four quarters. The UK index *rose* by 2.1% over the same period.

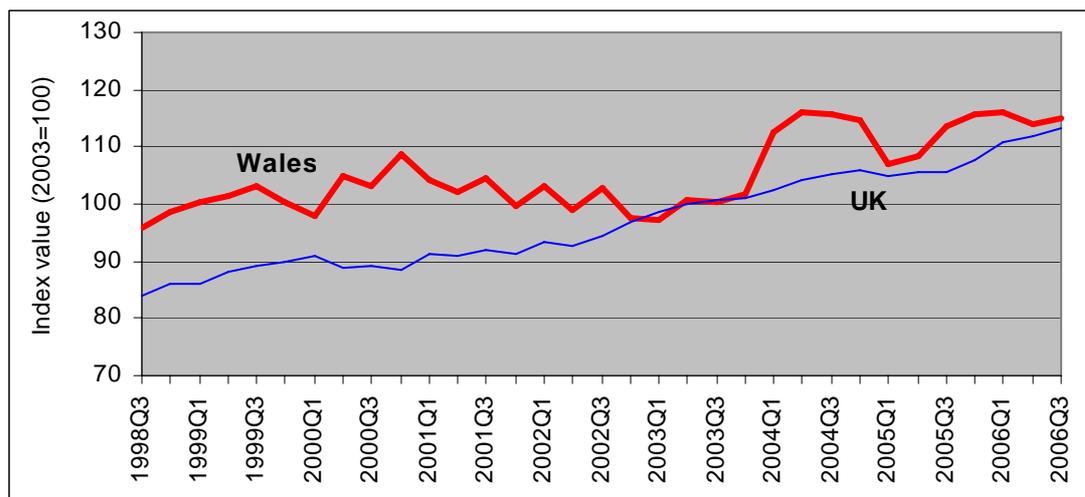
**Figure 4.2 Experimental Index of Retail: Wales and the UK**



Source: Welsh Assembly Government and ONS

- Output in the Welsh retail sector *increased* by 10.3% in the latest four quarters compared with the previous four quarters. There was a *rise* in the UK index of 2.7% during this period.

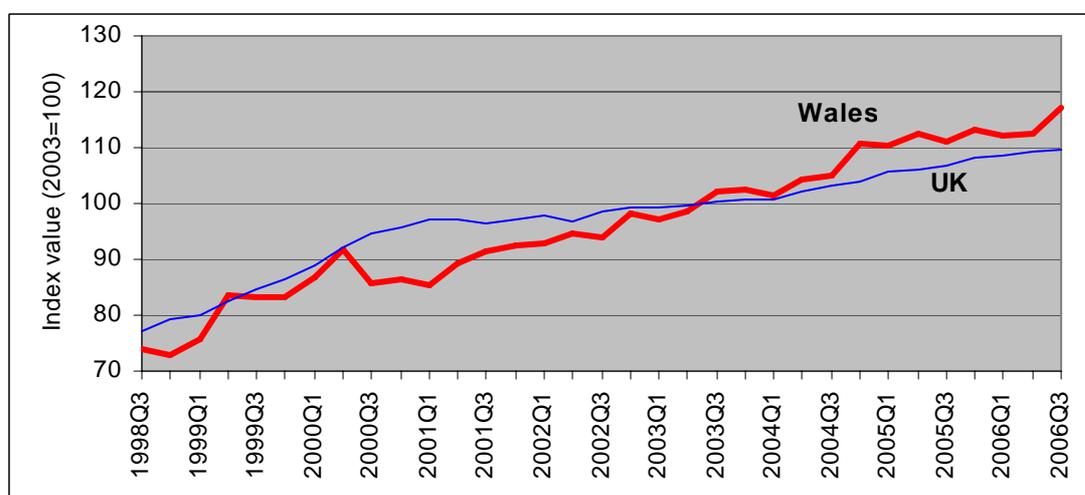
**Figure 4.3 Experimental Index of Hotels and Restaurants: Wales and the UK**



Source: Welsh Assembly Government and ONS

- The Index of Hotels and Restaurants for Wales for the latest four quarters rose by 3.8% compared with the previous four quarters. The UK index rose by 5.1% over the same period.

**Figure 4.4 Experimental Index of Transport, Storage and Communication: Wales and the UK**



Source: Welsh Assembly Government and ONS

- The Index of Transport, Storage and Communication for Wales for the latest four quarters rose by 2.3% compared with the previous four quarters. The UK index rose by 3.2% over the same period.

**Table 7 Value of exports: Wales**

*Value of exports, £m*

	4 quarters ending Dec 2005	4 quarters ending Dec 2006	<b>Change:</b>	
			£m	Percentage
<b>Exports to:</b>				
the EU <sup>1</sup>	5,385	5,547	162	3.0
the rest of the world <sup>1</sup>	3,260	3,745	485	14.9
<b>Total exports</b>	<b>8,645</b>	<b>9,292</b>	<b>646</b>	<b>7.5</b>
<b>Total exports for UK regions <sup>2</sup></b>	<b>184,781</b>	<b>202,439</b>	<b>17,659</b>	<b>9.6</b>

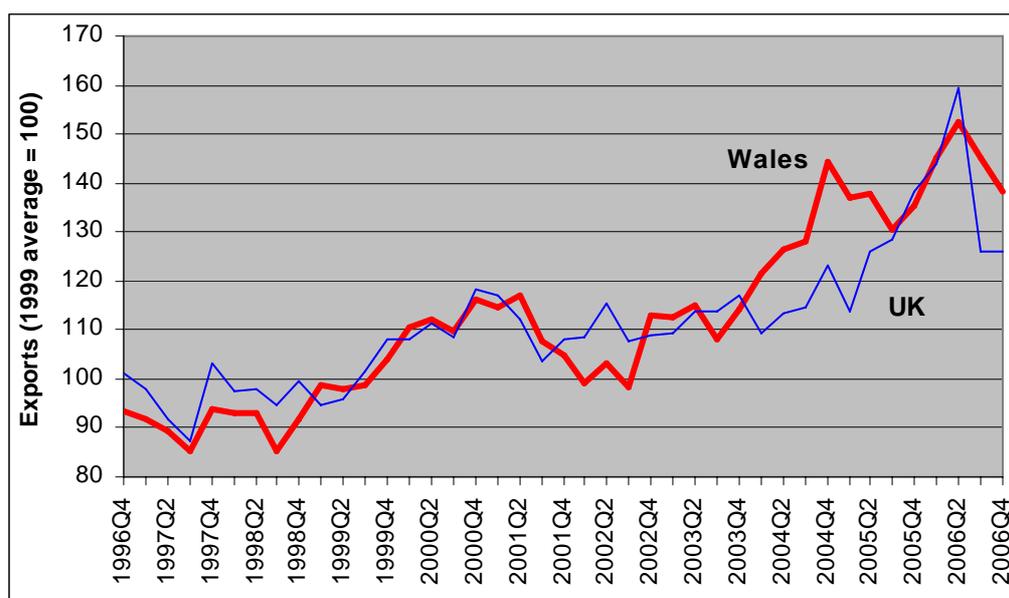
*Value of exports, £m*

	1999 average	4 quarters ending Dec 2006	<b>Change:</b>	
			£m	Percentage
<b>Exports to:</b>				
the EU <sup>1</sup>	4,690	5,547	857	18.3
the rest of the world <sup>1</sup>	1,704	3,745	2,041	119.8
<b>Total exports</b>	<b>6,394</b>	<b>9,292</b>	<b>2,898</b>	<b>45.3</b>
<b>Total exports for UK regions <sup>2</sup></b>	<b>145,799</b>	<b>202,439</b>	<b>56,640</b>	<b>38.8</b>

1. HM Revenue and Customs figures exclude exports to the rest of the world for which the region of origin cannot be established. Some types of exports are not regionalised, for example oil and 'erratics'. In this table, the EU refers to the 24 states (excluding the UK) that made up the EU from 1 May 2004 to 31 December 2006.
2. As some types of exports are not regionalised, exports from Wales are compared to the total of all regionalised exports rather than the overall UK total.

**Source: HM Revenue and Customs**

**Figure 5 Value of total exports by quarter: Wales and the UK**



**Source: HM Revenue and Customs**

- The value of total Welsh exports for the whole of 2006 *rose* by 7.5% compared to 2005. The corresponding figure for the total of the UK regions was a *rise* of 9.6%.
- The value of Welsh exports to the EU *rose* by 3.0% over this period, while the value of exports to the rest of the World increased by 14.9%. The EU still accounts for 60% of Welsh exports by value.  
*[Here the EU refers to the 24 states (excluding the UK) that made up the EU from 1 May 2004 to 31 December 2006.]*
- Looking over the longer term, the value of Welsh exports for 2006 were 45.3% higher than in 1999, compared to 38.8% higher for the total of the UK regions.

## 2 ANNUAL DATA

**Table 8** Headline economic indicators: Wales

	1999	2000	2001	2002	2003	2004	2005	2006
<b>GVA per head</b> <sup>1</sup> (UK=100)	78.7	78.5	78.7	78.1	77.9	77.8	78.1	na
<b>Household income per head</b> <sup>2</sup> (UK=100)	86.6	86.6	86.9	87.4	87.6	88.0	na	na
<b>Business registrations per head</b> <sup>3</sup>								
Wales	35	36	35	37	40	40	36	na
UK	49	50	47	48	52	50	48	na
<b>Non-agricultural business registrations per head</b> <sup>3</sup>								
Wales	33	35	33	35	38	38	34	na
UK	48	49	46	47	51	49	47	na
<b>Businesses per head</b> <sup>4</sup>								
Wales	453	452	453	455	452	451	454	457
UK	477	482	485	486	487	491	493	496
<b>Non-agricultural businesses per head</b> <sup>4</sup>								
Wales	349	350	353	356	354	357	362	368
UK	433	439	443	444	446	451	454	458
<b>Gross weekly earnings (£)</b> <sup>5</sup>								
Wales	359	373	386	405	422	438	455	470
UK	408	425	450	472	487	498	516	537
<b>Growth in exports on previous year</b> <sup>6</sup>								
Wales	10.1%	12.2%	-1.0%	-6.8%	8.7%	15.6%	4.0%	7.5%
Sum of UK regions	2.6%	11.5%	-1.2%	0.0%	3.1%	1.5%	10.0%	9.6%
<b>Business enterprise R&amp;D</b> <sup>7</sup>								
Percentage of GDP	0.7%	0.5%	0.4%	0.5%	0.6%	0.6%	0.6%	na
Percentage of UK	1.8%	1.2%	1.3%	1.5%	1.6%	1.8%	1.7%	na

na These figures are not yet available.

- Source: ONS, Regional Accounts**
- Source: ONS, Regional Accounts**
- Registrations (in year) of total and non-agricultural VAT registered businesses per 10,000 population of working age.  
**Source: Small Business Service (SBS)**
- Start year stock (1 January each year) of total and non-agricultural VAT registered businesses per 10,000 population of working age.  
**Source: SBS (ONS for population)**
- Gross weekly earnings for full-time persons on adult rates, figures relate to April each year. Since the 2004 survey, a new questionnaire has been used and supplementary information has been collected in order to improve coverage to make the survey more representative. This includes information on businesses not registered for VAT and for people who changed or started new jobs between sample selection and the survey reference period, as well as better information on non-basic pay. The ASHE results since 2004 are therefore discontinuous with earlier results.  
**Source: ONS, Annual Survey of Hours and Earnings (ASHE)**
- Growth in the total value of exports, EU plus non-EU, over the previous year.  
**Source: HM Revenue and Customs**
- Source: ONS, Business Enterprise R&D Survey and Regional Accounts**

**Table 9 Total workplace employment by industry: Wales and the UK<sup>1</sup>**

	Number of jobs ( <i>thousands</i> ):			Distribution by industry (%)		
	2001	2004	Percentage change:	2001	2004	Percentage point change:
<b>Wales:</b>						
Agriculture, forestry and fishing	36	35	-2	2.9	2.7	-0.2
Mining, energy and water supplies industries	10	8	-24	0.8	0.6	-0.2
Manufacturing industries	198	179	-9	15.9	13.8	-2.0
Construction	81	89	9	6.5	6.8	0.3
Retail, wholesale, hotels and restaurants	293	300	3	23.5	23.2	-0.3
Transport, storage and communication	59	61	3	4.7	4.7	-0.0
Finance and business activities	147	157	7	11.8	12.1	0.3
Public administration, education and health	354	386	9	28.4	29.8	1.4
Other industries	69	80	17	5.5	6.2	0.7
<b>All industries</b>	<b>1,246</b>	<b>1,295</b>	<b>4</b>	<b>100.0</b>	<b>100.0</b>	
<i>of which:</i>						
<i>West Wales and the Valleys</i>	730	760	4			
<i>East Wales</i>	516	534	4			
<b>United Kingdom:</b>						
Agriculture, forestry and fishing	437	421	-4	1.5	1.5	-0.1
Mining, energy and water supplies industries	206	158	-23	0.7	0.5	-0.2
Manufacturing industries	3,761	3,235	-14	13.3	11.2	-2.0
Construction	1,838	1,959	7	6.5	6.8	0.3
Retail, wholesale, hotels and restaurants	6,665	6,795	2	23.5	23.6	0.1
Transport, storage and communication	1,755	1,730	-1	6.2	6.0	-0.2
Finance and business activities	5,574	5,741	3	19.6	19.9	0.3
Public administration, education and health	6,409	7,019	10	22.6	24.3	1.7
Other industries	1,737	1,793	3	6.1	6.2	0.1
<b>All industries</b>	<b>28,382</b>	<b>28,852</b>	<b>2</b>	<b>100.0</b>	<b>100.0</b>	

1. These data show workplace employment (or total jobs) in each area, including self-employment jobs.
2. The United Kingdom (UK) data here are provided as a comparator for the Wales data and so are derived using the same methodology as the Wales data. However, as this methodology is designed to be relevant at the Wales level, it is not the same as that used by the ONS in producing their estimates of total UK jobs by industry, and so the UK data presented here should not be used for any purpose other than as a comparator for the Wales data.

**Source: Welsh Assembly Government**

- The distribution of workplace employment in Wales in 2004 was broadly similar to that in the UK for most industry sectors. However, Wales had a higher proportion of jobs in public administration, education and health (which is not the same as the public sector) and in manufacturing industries and a lower proportion of jobs in the finance and business activities.
- Between 2001 and 2004, the number of jobs in agriculture; mining, energy and water; and manufacturing all *fell* (the latter by 9%). However, these were more than offset by *increases* in construction and all service sectors, so that the total number of jobs in Wales rose by 4% over this period, compared to a rise of just 2% across the UK as whole.

**Table 10 Gross Value Added: UK countries and English regions**

	Index (UK excluding extra-regio = 100)											
	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005 <sup>1</sup>	
UK excluding extra-regio <sup>2</sup>	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
England	101.5	101.7	101.9	102.2	102.4	102.4	102.4	102.4	102.4	102.4	102.4	102.4
<b>Wales</b>	<b>84.1</b>	<b>82.9</b>	<b>81.4</b>	<b>79.7</b>	<b>78.7</b>	<b>78.5</b>	<b>78.7</b>	<b>78.1</b>	<b>77.9</b>	<b>77.8</b>	<b>78.1</b>	<b>78.1</b>
Scotland	100.6	99.6	98.6	96.6	95.6	95.3	94.8	95.3	95.5	95.4	95.9	95.9
Northern Ireland	80.8	81.3	80.9	80.6	81.4	81.6	81.4	80.5	80.5	80.5	80.5	80.3
North East	83.8	82.6	81.5	80.1	79.4	79.1	79.2	78.8	78.7	79.0	79.0	79.5
North West	90.9	90.2	89.6	89.0	89.1	88.8	88.9	88.2	87.7	87.6	87.7	87.7
Yorkshire and the Humber	89.8	90.0	89.8	89.0	88.1	87.9	87.8	87.7	87.6	87.3	87.2	87.2
East Midlands	94.8	94.7	94.4	93.1	92.0	91.5	91.9	91.7	92.3	92.7	93.1	93.1
West Midlands	93.5	93.1	93.2	92.6	92.1	92.0	91.6	90.5	89.8	89.5	89.4	89.4
Eastern	108.2	107.9	107.5	107.8	108.1	108.9	109.5	108.8	108.1	107.6	107.1	107.1
London	127.7	128.2	129.5	132.0	133.1	132.2	131.0	133.7	135.3	136.3	136.2	136.2
South East	111.2	112.2	113.5	115.5	116.3	117.0	117.4	116.9	116.3	115.8	115.3	115.3
South West	92.4	93.4	93.3	93.1	93.1	93.2	93.7	93.9	94.2	94.3	94.4	94.4
<b>West Wales and the Valleys<sup>3</sup></b>	<b>74</b>	<b>73</b>	<b>71</b>	<b>68</b>	<b>67</b>	<b>66</b>	<b>66</b>	<b>65</b>	<b>65</b>	<b>65</b>	<b>na</b>	<b>na</b>
<b>East Wales<sup>3</sup></b>	<b>102</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>101</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>na</b>	<b>na</b>

1. Data are provisional.
2. The UK total excluding any elements of GVA that cannot be assigned to specific regions, i.e. elements that are extra-regio. It is the total of the English regions and the three devolved administrations and is the most appropriate aggregation to use when making comparisons between the regions and the UK.
3. The NUTS2 regions of West Wales and the Valleys and East Wales are workplace-based, unlike the estimates for Wales and other NUTS1 regions, which are residence based.

**Source: ONS, Regional Accounts**

- GVA per head in Wales in 2005 was £13,813 or 78.1% of the UK average. This proportion declined steadily during the second half of the 1990s, but has changed little since 1999.
- Wales had the lowest GVA per head in 2005, the ranking for Wales changed in 1998 when Northern Ireland rose above Wales.
- GVA per head in East Wales in 2004 was £17,133 or 100% of the UK average. GVA per head in West Wales and the Valleys was £11,126 or 65% of the UK average.
- In East Wales, GVA per head has been close to the UK average in all years since 1995. GVA per head in West Wales and the Valleys declined relative to the UK average during the second half of the 1990s but, like the pattern for Wales as a whole, has changed little over more recent years.

**Table 11 Gross average weekly earnings for full time employees on adult rates<sup>1</sup>, April 2006: UK countries and English regions**

	Average gross weekly earnings (£) <sup>1</sup> :			Percentage increase April 2005 - April 2006		
	Males	Females	Persons	Males	Females	Persons
United Kingdom	592	454	537	4.1	4.1	4.1
UK excluding London and SE	541	422	494	4.1	4.3	4.1
Great Britain	594	454	539	4.2	4.1	4.1
England	602	458	546	4.1	4.1	4.0
<b>Wales</b>	<b>509</b>	<b>413</b>	<b>470</b>	<b>3.6</b>	<b>3.5</b>	<b>3.3</b>
Scotland	552	440	504	5.7	4.2	5.2
Northern Ireland	502	428	472	3.2	7.0	4.7
North East	509	403	467	2.9	3.7	3.2
North West	546	423	496	4.2	3.5	3.8
Yorkshire and the Humber	525	412	482	3.5	3.0	3.3
East Midlands	537	413	493	5.3	5.3	5.3
West Midlands	541	415	494	4.0	4.2	4.0
Eastern	581	438	528	3.0	5.3	3.5
London	807	586	715	2.5	3.5	2.6
South East	632	462	567	6.2	3.4	5.2
South West	539	419	493	4.4	4.8	4.6
<b>West Wales and the Valleys</b>	<b>497</b>	<b>400</b>	<b>456</b>	<b>3.3</b>	<b>3.0</b>	<b>3.1</b>
<b>East Wales</b>	<b>523</b>	<b>430</b>	<b>487</b>	<b>4.0</b>	<b>3.9</b>	<b>3.6</b>

1. Full time employees on adult rates, whose pay for the survey period was unaffected by absence.

**Source: ONS, Annual Survey of Hours and Earnings (ASHE)**

- Between April 2005 and April 2006 average gross weekly earnings for full-time adults in Wales *rose* by 3.3% to stand at £470. Over the same period average earnings in the United Kingdom *rose* by 4.1% to £537. London had the lowest increase (2.6%), while the largest increase was in the East Midlands region (5.3%).
- Average earnings in Wales in April 2006 were 12.6% lower than the average for the UK as a whole, but only 5.0% lower than for the UK excluding London and the South East.
- Wales had the seventh highest growth amongst UK countries and English regions in male earnings between 2005 and 2006 (3.6%). Growth in female earnings was the third lowest amongst UK countries and English regions.
- Average gross weekly earnings for full-time adults in West Wales and the Valleys in April 2006 *increased* by 3.1%, average earnings in East Wales *increased* by 3.6%.

**Table 12 Gross average weekly earnings for full time employees on adult rates<sup>1</sup>, April 2006: occupation groupings**

Occupation grouping	Wales	UK excluding London and the South East	Wales relative to UK excluding London and the South East
Managers and Senior Officials	650	722	90.1
Professional Occupations	697	693	100.6
Associate Professional and Technical Occupations	508	520	97.9
Administrative and Secretarial Occupations	334	343	97.5
Skilled Trades Occupations	431	437	98.6
Personal Service Occupations	303	298	101.6
Sales and Customer Service Occupations	269	287	93.7
Process, Plant and Machine Operatives	411	406	101.2
Elementary Occupations	311	313	99.4
All occupations	470	494	95.0

1. Full time employees on adult rates, whose pay for the survey period was unaffected by absence.

**Source: ONS, Annual Survey of Hours and Earnings**

- Average gross weekly earnings for full-time employees in Wales in April 2006 were 5.0% lower than the average across the United Kingdom excluding London and the South East (UKX).
- The gap was generally smaller for individual occupational groupings, with Wales actually having higher earnings in 3 groups, namely professional occupations, personal service occupations and process, plant and machine operatives occupations, and very similar earnings to UKX in elementary occupations and skilled trades occupations.
- Managers and senior officials and sales and customer service occupations are the only major occupation groups where the Welsh earnings relative to UKX are lower than the average for all occupations.
- This suggests that the earnings gap between Wales and elsewhere is at least partly explained by the occupational mix.

**Table 13 Number of VAT registrations and de-registrations during 2005:  
UK countries and English regions <sup>1</sup>**

	VAT registered business stock 2005	VAT stock per 10,000 people of working age 1 Jan 2005	VAT registrations 2005	VAT registrations per 10,000 people of working age 2005	VAT de-registrations 2005	VAT de-registrations per 10,000 people of working age 2005	VAT registered business stock 1 Jan 2006	VAT stock per 10,000 people of working age 1 Jan 2006
<b>United Kingdom</b>	<b>1,828,235</b>	<b>493</b>	<b>177,925</b>	<b>48</b>	<b>152,945</b>	<b>41</b>	<b>1,853,215</b>	<b>496</b>
England	1,558,950	502	155,635	50	133,230	43	1,581,360	505
<b>Wales</b>	<b>80,665</b>	<b>454</b>	<b>6,430</b>	<b>36</b>	<b>5,555</b>	<b>31</b>	<b>81,545</b>	<b>457</b>
Scotland	127,810	403	11,525	36	10,160	32	129,175	405
Northern Ireland	60,810	578	4,330	41	4,005	38	61,130	575
North East	45,960	293	4,505	29	3,600	23	46,865	419
North West	173,575	413	17,500	42	14,265	34	176,805	419
Yorkshire and the Humber	131,390	424	12,690	41	10,745	35	133,335	427
East Midlands	125,335	474	12,015	45	9,765	37	127,590	479
West Midlands	152,845	470	14,610	45	12,610	39	154,845	472
Eastern	184,525	551	17,790	53	14,690	44	187,625	555
London	284,725	575	33,915	68	30,230	61	288,405	573
South East	288,665	580	27,695	56	24,605	49	291,755	582
South West	171,935	570	14,920	49	12,720	42	174,135	574

1. Data are shown in thousands and may not add due to independent rounding. Data are compiled from the Inter-Departmental Business Register (IDBR). The IDBR is a structured list of business units available for selection, mailing and grossing of statistical enquiries. It is supplied by the Office for National Statistics (ONS) and is mainly used as a sampling frame for official business surveys.

**Source: Small Business Service (SBS)**

- In Wales in 2005, there were 36 VAT registrations per 10,000 people of working age, the same rate as in Scotland and higher than the rate for the North East (29). London had the highest rate amongst UK countries and English regions (68) while the rate across the UK as a whole was 48.
- In Wales in 2005, there were 31 VAT de-registrations per 10,000 people of working age, a similar rate to that in Scotland (32), and a higher rate than in the North East (23). Again London had the highest rate amongst UK countries and English regions (61) while the rate across the UK as a whole was 41.
- The total VAT registered stock in Wales *increased* by 900 (1.1%) during 2005, to stand at 81,500 at the start of 2006, the highest level since the current series began in 1994. The equivalent figure for the UK as a whole was 1,853,200, *up* 25,000 (1.4%) over 2005.
- At the start of 2006, Wales had 457 VAT registered businesses per 10,000 working age population, higher than in Scotland (405), the North East (419), the North West (419) and Yorkshire and the Humber (427). The South East (582) and the South West (574) had the highest rates, whilst the rate across the UK as a whole was 496.

**Table 14 Number of VAT registrations and de-registrations during 2005:  
Welsh local authorities<sup>1</sup>**

	VAT registered business stock 1 Jan 2005	VAT stock per 10,000 people of working age 1 Jan 2005	VAT registrations 2005	VAT registrations per 10,000 people of working age 2005	VAT de-registrations 2005	VAT de-registrations per 10,000 people of working age 2005	VAT registered business stock 1 Jan 2006	VAT stock per 10,000 people of working age 1 Jan 2006
<b>Wales</b>	<b>80,665</b>	<b>454</b>	<b>6,430</b>	<b>36</b>	<b>5,555</b>	<b>31</b>	<b>81,545</b>	<b>457</b>
<b>West Wales and the Valleys</b>	<b>48,600</b>	<b>436</b>	<b>3,790</b>	<b>34</b>	<b>3,310</b>	<b>30</b>	<b>49,075</b>	<b>439</b>
Isle of Anglesey	2,185	544	175	44	145	36	2,220	553
Gwynedd	4,665	673	285	41	270	39	4,675	674
Conwy	3,580	577	250	40	215	35	3,610	583
Denbighshire	2,980	540	240	43	215	39	3,000	541
Ceredigion	3,860	796	175	36	245	51	3,790	782
Pembrokeshire	4,980	742	295	44	300	45	4,980	741
Carmarthenshire	6,790	654	435	42	430	41	6,800	653
Swansea	4,610	337	445	33	365	27	4,690	340
Neath Port Talbot	2,255	278	190	23	170	21	2,275	281
Bridgend	2,720	345	275	35	210	27	2,785	352
Rhondda, Cynon, Taff	3,795	269	395	28	280	20	3,910	277
Merthyr Tydfil	810	244	100	30	55	17	860	259
Caerphilly	2,860	276	270	26	215	21	2,910	281
Blaenau Gwent	920	224	100	24	80	19	940	230
Torfaen	1,590	295	160	30	115	21	1,630	302
<b>East Wales</b>	<b>32,055</b>	<b>484</b>	<b>2,640</b>	<b>40</b>	<b>2,230</b>	<b>34</b>	<b>32,460</b>	<b>487</b>
Flintshire	3,955	426	365	39	320	34	4,000	432
Wrexham	3,070	381	270	33	190	24	3,145	390
Powys	8,225	1090	375	50	410	54	8,190	1,082
The Vale of Glamorgan	2,910	399	265	36	210	29	2,965	404
Cardiff	7,450	363	800	39	610	30	7,640	366
Monmouthshire	3,595	701	260	51	265	52	3,590	698
Newport	2,850	341	305	37	225	27	2,930	350

1. Data are shown in thousands and may not add due to independent rounding. Data are compiled from the Inter-Departmental Business Register (IDBR). The IDBR is a structured list of business units available for selection, mailing and grossing of statistical enquiries. It is supplied by the Office for National Statistics (ONS) and is mainly used as a sampling frame for official business surveys.

**Source: Small Business Service (SBS)**

- The registration rate per 10,000 people of working age in West Wales and the Valleys stood at 34 in 2005, whilst in East Wales the rate stood at 40.
- Looking at individual local authorities, the highest registration rate in 2005 was 51 in Monmouthshire, followed by 50 in Powys. The lowest rates were in Neath Port Talbot (23) and Blaenau Gwent (24).
- These registration rates are generally higher in rural authorities, with the rates for the valley authorities generally being lower. A similar pattern is evident for de-registrations.
- The stock levels per 10,000 people of working age in West Wales and the Valleys stood at 439 at the start of 2006, whilst in East Wales the figure stood at 487.
- Looking at individual local authorities, the highest stock rates per 10,000 people of working age at the start of 2006 were 1,082 in Powys and 782 in Ceredigion, compared to the rates of 230 in Blaenau Gwent and 259 in Merthyr Tydfil.
- Rural areas tend to have much higher VAT registered enterprise levels per 10,000 people of working age than other authorities in Wales, which is mainly due to the large number of agricultural enterprises in these areas. The variations in stock levels per 10,000 people of working age are greater than the variations in the equivalent registration figures.

**Table 15 Survival rates of VAT registered businesses, three years after registration: UK countries and English regions <sup>1</sup>**

Sub region / region / country	Survival rates (per cent)					Survival rates (rank)				
	Year of registration:					Year of registration:				
	1995	1997	1999	2001	2002	1995	1997	1999	2001	2002
						<i>out of 12</i>				
North East	62.5	67.6	67.3	68.8	70.4	12	8	9	10	10
North West	63.0	64.5	65.6	67.8	71.4	10	12	11	11	8
Yorkshire and the Humber	64.8	68.3	68.5	69.8	71.8	8	6	7	7	7
East Midlands	65.2	68.3	70.1	70.7	72.2	6	6	5	5	5
West Midlands	63.4	67.2	68.4	69.2	70.6	9	10	8	9	9
Eastern	67.4	70.8	70.7	71.2	72.9	4	4	3	4	4
London	62.6	65.1	64.0	65.3	66.9	11	11	12	12	12
South East	68.6	71.6	71.2	72.2	73.2	3	3	2	3	3
South West	68.8	71.7	70.6	72.7	74.0	2	2	4	2	2
<b>Wales</b>	<b>66.5</b>	<b>69.2</b>	<b>69.7</b>	<b>70.5</b>	<b>72.0</b>	<b>5</b>	<b>5</b>	<b>6</b>	<b>6</b>	<b>6</b>
Scotland	65.2	67.3	66.5	69.4	70.3	6	9	10	8	11
Northern Ireland	78.2	78.4	77.1	79.3	78.5	1	1	1	1	1
<b>United Kingdom</b>	<b>65.6</b>	<b>68.5</b>	<b>68.3</b>	<b>69.7</b>	<b>71.3</b>	<b>-/-</b>	<b>-/-</b>	<b>-/-</b>	<b>-/-</b>	<b>-/-</b>
						<i>out of 4</i>				
England	65.3	68.3	68.2	69.4	71.2	3	3	3	3	3
<b>Wales</b>	<b>66.5</b>	<b>69.2</b>	<b>69.7</b>	<b>70.5</b>	<b>72.0</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>
Scotland	65.2	67.3	66.5	69.4	70.3	4	4	4	3	4
Northern Ireland	78.2	78.4	77.1	79.3	78.5	1	1	1	1	1
<b>United Kingdom</b>	<b>65.6</b>	<b>68.5</b>	<b>68.3</b>	<b>69.7</b>	<b>71.3</b>	<b>-/-</b>	<b>-/-</b>	<b>-/-</b>	<b>-/-</b>	<b>-/-</b>

1. The business survival rates given below are only estimates of exact survival rates for businesses registered for VAT as some businesses registering may already have been in existence but below the VAT threshold, while some businesses de-registering may remain in business but with a turnover below the VAT threshold. The figures also tend to over-estimate overall survival rates because they do not include over one million of the UK's smallest businesses with the lowest survival rates (as they are below the VAT threshold). Although estimates are available for the number of these smaller businesses, there are no sources of data that track the individual businesses and hence it is not possible to calculate comprehensive survival rates. The methodology for calculating survival rates is such that an enterprise with several units will be shown as surviving as long as at least one unit remains.

**Source: Small Business Service (SBS)**

- The survival rate for Wales for businesses registered in 2002 and still trading three years later was 72.0 per cent, 0.7 percentage points above the UK average (71.3 per cent), and higher than the figures for both Scotland and England. The rate for Wales has risen steadily since the mid-1990s, following a similar pattern to the rates for England and Scotland.
- The rate in Wales for businesses registering in 2002 was the sixth highest amongst the twelve UK countries and English regions. The highest rates were in Northern Ireland (78.5 per cent), the South West (74.0 per cent), and the South East (73.2 per cent). London had the lowest rate at 66.9 per cent.
- The rate in Wales for businesses registering in 2002 was up 5.5 percentage points on the equivalent figure for businesses registering in 1995. Rates across the UK as a whole rose by 5.7 percentage points over the same period.

**Table 16 Local labour market statistics<sup>1</sup>: Welsh local authorities, 12 months ending June 2006**

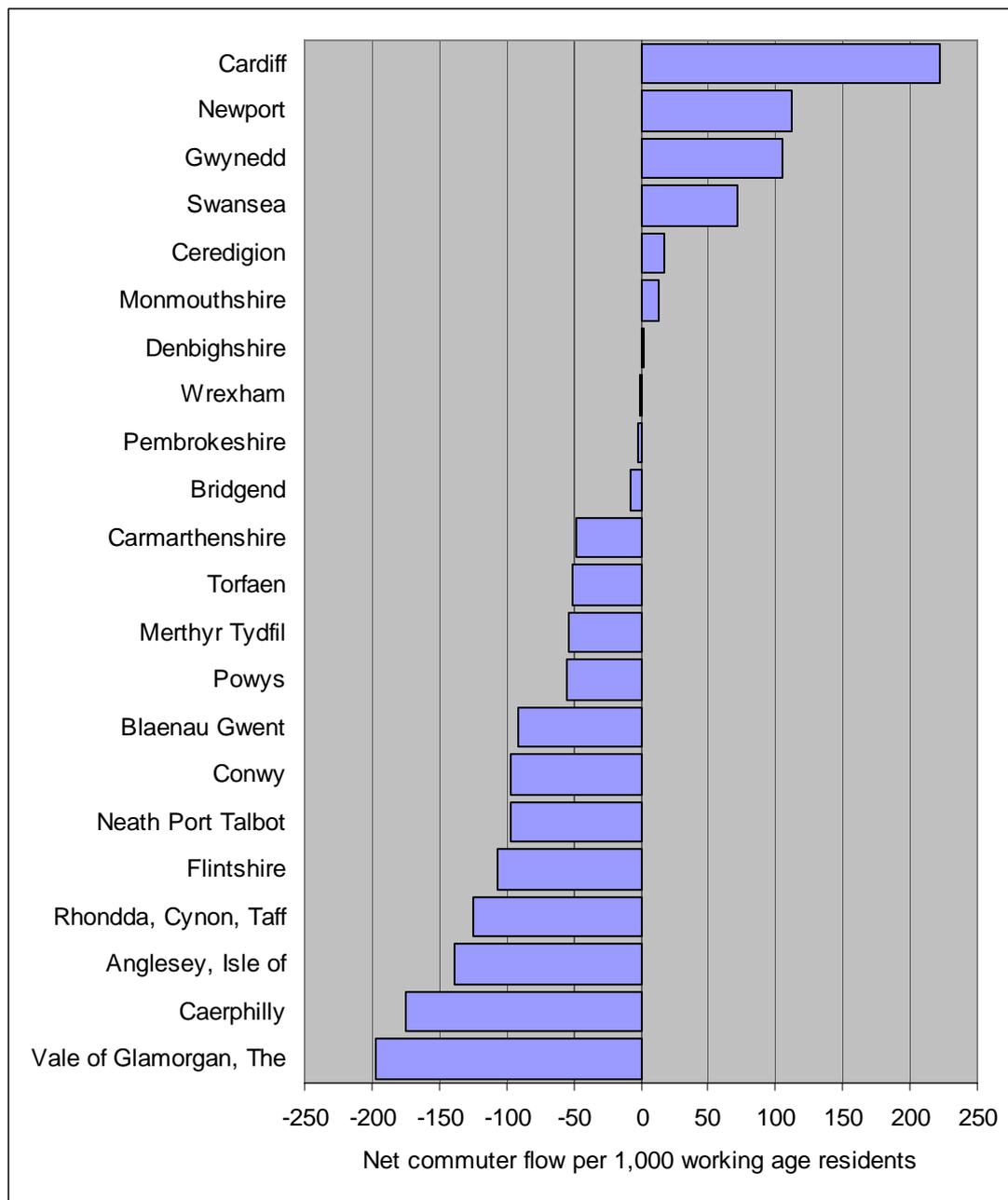
	Employment <sup>2</sup>		ILO unemployment <sup>3</sup>		Economic inactivity <sup>4</sup>		Economic inactivity (excluding students) <sup>4</sup>	
	Level (thousands)	Rate (%)	Level (thousands)	Rate (%)	Level (thousands)	Rate (%)	Level (thousands)	Rate (%)
United Kingdom	28,154	74.1	1,548	5.2	7,953	21.8	6,178	18.5
<b>Wales</b>	1,294	71.1	71	5.2	436	24.9	342	21.5
Isle of Anglesey	29	70.5	2	5.0	10	25.6	9	23.6
Gwynedd	52	73.6	2	3.3	16	23.8	11	18.0
Conwy	49	74.9	2	3.9	13	21.9	10	18.2
Denbighshire	43	73.0	2	5.3	13	23.1	10	19.3
Flintshire	76	78.0	2	2.7	19	19.8	15	17.6
Wrexham	62	75.3	3	4.7	17	21.0	14	18.0
Powys	61	78.1	1	2.4	15	19.9	11	16.0
Ceredigion	36	66.9	2	4.5	15	29.7	9	21.3
Pembrokeshire	52	72.4	3	6.3	15	22.4	13	20.9
Carmarthenshire	75	71.0	2	2.6	27	27.1	22	23.7
Swansea	98	70.7	5	5.2	34	25.3	25	21.3
Neath Port Talbot	54	65.7	4	6.8	23	29.4	21	27.9
Bridgend	55	69.5	4	7.2	19	25.1	17	23.3
The Vale of Glamorgan	56	72.1	3	5.6	18	23.5	13	19.0
Cardiff	141	70.4	8	5.7	49	25.3	31	18.7
Rhondda, Cynon, Taff	95	67.6	6	5.7	39	28.2	32	25.3
Merthyr Tydfil	21	60.9	2	10.7	10	31.7	9	30.2
Caerphilly	74	68.3	5	6.0	29	27.3	25	25.5
Blaenau Gwent	27	63.7	2	8.3	12	30.4	11	28.8
Torfaen	38	68.6	2	5.5	15	27.3	13	25.3
Monmouthshire	43	79.1	2	4.5	9	17.1	7	15.2
Newport	59	70.8	5	7.2	19	23.5	16	21.0

1. Data are taken from the Welsh Local / Annual Local Area Labour Force Survey, and represent annual estimates of the position for the 12 months ending June 2006. As the sample for the annual dataset is based on a boosted sample of individuals in 21,000 households in Wales, figures are available at a local authority level. These figures are comparable to those given in table 2.
2. Levels are for those aged 16 and over, rates are for those of working age (males aged 16-64, females aged 16-59).
3. Levels and rates are for those aged 16 and over. The rate is as a proportion of economically active (employed plus ILO unemployed). The International Labour Organisation (ILO) definition of unemployment covers those who are out of work and want a job, have actively sought work in the last 4 weeks and are available to start work in the next two weeks; plus those who are out of work, have found a job and are waiting to start in the next 2 weeks.
4. Levels and rates are for those of working age (males aged 16-64, females aged 16-59).

**Source: Annual Population Survey, ONS**

- Working age employment rates varied from 60.9% in Merthyr Tydfil to 79.1% in Monmouthshire.
- Unemployment rates for economically active people aged 16 or over varied from 2.4% in Powys and 2.6% in Carmarthenshire to 10.7% in Merthyr Tydfil.
- When looking at economic inactivity between local authorities it is important to exclude students as they are disproportionately spread between local authorities. 21.5% of the working age population excluding students in Wales were economically inactive. The highest rate was 30.2% in Merthyr Tydfil, and the lowest rate was 15.2% in Monmouthshire.

**Figure 6 Net commuting flow as a proportion of working age population, 2005<sup>1</sup>**



1. Data for the year ending 31 December 2005.

**Source: Annual Population Survey**

These statistics examine commuting patterns in Wales for those who are either employees or self-employed<sup>2</sup>. The analysis is based solely on a person's main job.

The chart above shows that the largest inward commuting flows per 1,000 residents were into Cardiff and Newport, whereas the largest outward flows were from the Vale of Glamorgan and Caerphilly.

<sup>2</sup> The figures used do not quite match the ILO definition of 'employment' as that includes the small numbers of government sponsored trainees and unpaid family workers, as well as employees and the self-employed.

**Table 17 Commuting Statistics: Welsh local authorities, 2005<sup>1</sup>**

Area of residence	Number of working residents (thousands)	Total number working in the authority (thousands)	Percentage of residents working in Wales (%)	Percentage of residents working in area of residence (%)	Commuting		
					out of the authority (thousands)	into the authority (thousands)	net inflow (thousands)
Anglesey, Isle of	28.9	23.3	98	70	8.6	3.1	-5.6
Gwynedd	51.9	59.2	98	91	4.8	12.1	7.3
Conwy	48.4	42.4	96	74	12.4	6.4	-6.0
Denbighshire	44.1	44.2	93	73	11.8	11.9	0.1
Flintshire	73.7	63.9	72	60	29.1	19.3	-9.8
Wrexham	62.1	62.1	84	74	16.0	15.9	-0.1
Powys	60.3	56.2	90	81	11.3	7.2	-4.1
Ceredigion	35.1	35.9	97	87	4.7	5.6	0.8
Pembrokeshire	50.2	50.1	97	91	4.6	4.5	-0.2
Carmarthenshire	74.9	69.8	98	78	16.8	11.7	-5.0
Swansea	96.4	106.2	98	82	16.9	26.8	9.9
Neath Port Talbot	52.1	44.2	98	60	20.8	13.0	-7.8
Bridgend	55.4	54.9	97	69	17.3	16.8	-0.6
Vale of Glamorgan, The	55.5	41.0	97	50	27.9	13.4	-14.5
Rhondda, Cynon, Taff	94.8	77.1	97	63	34.6	17.0	-17.6
Cardiff	136.8	183.0	97	81	25.9	72.2	46.3
Merthyr Tydfil	20.8	19.0	97	64	7.4	5.6	-1.8
Caerphilly	71.2	53.2	97	53	33.7	15.7	-18.0
Blaenau Gwent	26.7	22.9	97	63	9.9	6.1	-3.7
Torfaen	37.4	34.7	96	65	13.3	10.6	-2.7
Monmouthshire	42.3	42.9	86	58	17.6	18.3	0.7
Newport	60.5	69.9	95	69	18.5	27.8	9.4
Wales	1,279.5	1,256.4	94	72	73.7	50.5	-23.2

1. Data for the year ending 31 December 2005.

**Source: Annual Population Survey**

- 1.280 million Welsh residents were employed or self-employed in Wales or elsewhere, while 1.256 million people were working within Wales.
- Wales therefore had a net outflow of 23,200 working people (down from 41,700 in 2004). This comprised 73,700 Welsh residents working outside Wales offset by 50,500 people resident outside Wales coming into Wales to work.

- 94% of all working Welsh residents worked in Wales and a large majority worked within the local authority in which they lived (916,000 or 72% of all working residents). There was wide variation in this pattern by local authority:
  - ◆ In border authorities, a smaller proportion of residents worked in Wales, particularly in Flintshire (72%), Wrexham (84%) and Monmouthshire (86%);
  - ◆ Generally speaking more people worked within their authority of residence in rural areas (Pembrokeshire (91%), Gwynedd (91%) and Ceredigion (87%), although the figure was also higher than average for the cities of Swansea (82%) and Cardiff (81%);
  - ◆ People were less likely to work within their authority of residence in the Valleys (Caerphilly 53%, Neath Port Talbot 60% and Blaenau Gwent 63%), although the figure was also low for Monmouthshire (58%), and the lowest was the Vale of Glamorgan (50%);
- In terms of net commuting, Cardiff had the largest net inflow at 46,300, (25.3% of all people working in Cardiff). The largest net outflows were from Caerphilly (18,000 or 25.3% of all working residents), Rhondda, Cynon, Taff (17,600, or 18.6% of all working residents) and The Vale of Glamorgan (14,500 or 26.1% of all working residents).