

# **Quarterly Statistical Report**

## **Enterprise, Innovation and Networks Committee**

**SEPTEMBER 2006**

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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 June 2006; a summary table of headline indicators is also given in this section.

## **CHANGES TO THE REPORT**

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 31 December 2005 published at the end of June 2006 will be updated at the end of September 2006 with data for the year ending 31 March 2006. As the APS data are updated quarterly, it is possible to use them to provide regularly updated labour market statistics for sub-Wales geographies in this report.

### **Table 2 and figure 2**

The LLFS/APS-based series will replace the quarterly LFS-based series at the sub-Wales level in future editions of this report (i.e. in table 2 and figure 2). The latter does not include the larger sample referred to above and is a little more timely, but the increase in statistical reliability afforded by the larger LLFS/APS sample is judged to outweigh this loss in timeliness. For comparison purposes, a version of table 2 derived from the quarterly LFS-based series, and covering a similar time period to the new table 2, is included at Annex A at the end of this report.

### **Tables 3, 4 and 9**

The availability of the boosted LLFS/APS for Wales has also provided the opportunity to produce detailed estimates of total workplace employment (or jobs) by industry in Wales. These data were published on 26 July 2006, and are included in table 9 on page 17, which also includes some comparable UK data.

The more recent movements in the seasonally adjusted quarterly employee jobs series are included as table 3 (for Wales and the UK) and the latest changes in the industry breakdown of employee jobs are included in table 4 (again for Wales and the UK, updated quarterly).

# 1 QUARTERLY DATA

## 1.1 THE LABOUR MARKET

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

*levels in thousands, seasonally adjusted*

		May - Jul 2005	Feb -Apr 2006	May - Jul 2006	Change in latest over:	
					Previous quarter	Previous year
<b>Employment <sup>1</sup></b>						
Wales	<i>level</i>	1,321	1,333	1,339	6	18
	<i>rate (%)</i>	71.7	71.7	71.7	-0.1	0.0
UK	<i>level</i>	28,755	28,937	28,975	38	220
	<i>rate (%)</i>	74.8	74.7	74.6	-0.1	-0.2
<b>ILO unemployment <sup>2</sup></b>						
Wales	<i>level</i>	62	68	80	12	18
	<i>rate (%)</i>	4.5	4.9	5.7	0.8	1.2
UK	<i>level</i>	1,419	1,605	1,699	93	280
	<i>rate (%)</i>	4.7	5.3	5.5	0.3	0.8
<b>Economic inactivity <sup>3</sup></b>						
Wales	<i>level</i>	442	438	428	-10	-14
	<i>rate (%)</i>	24.9	24.5	23.9	-0.6	-0.9
UK	<i>level</i>	7,918	7,840	7,790	-50	-128
	<i>rate (%)</i>	21.4	21.1	20.9	-0.2	-0.5

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).

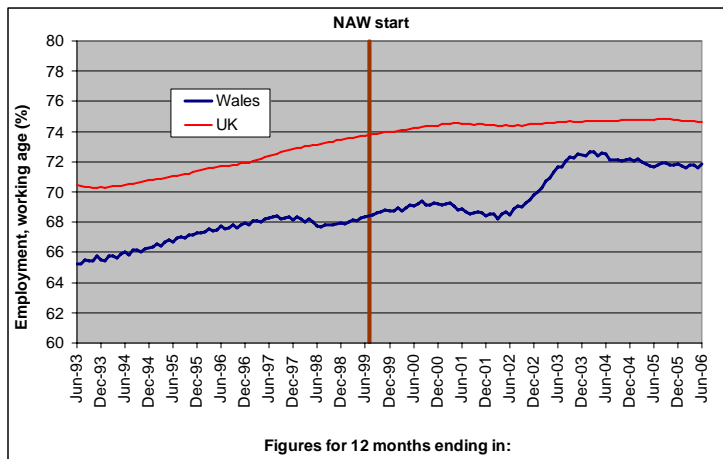
**Source: Labour Force Survey (LFS), ONS**

For the three months to July 2006:

- The employment level in Wales *increased* by 18,000 over the previous year and by 6,000 over the previous quarter. The rate remained *unchanged* over the year but *decreased* slightly over the quarter.
- ILO unemployment rates for Wales *increased* over both the year (*up* 1.2 percentage points [pp]) and the quarter (*up* 0.8 pp), whilst economic inactivity rates for Wales *decreased* over both the year (*down* 0.9 pp) and the quarter (*down* 0.6 pp).
- The employment rate for the UK as a whole *decreased* by 0.2 pp over the year, whilst the unemployment rate *increased* by 0.8 pp and the rate of economic inactivity *decreased* by 0.5 pp.

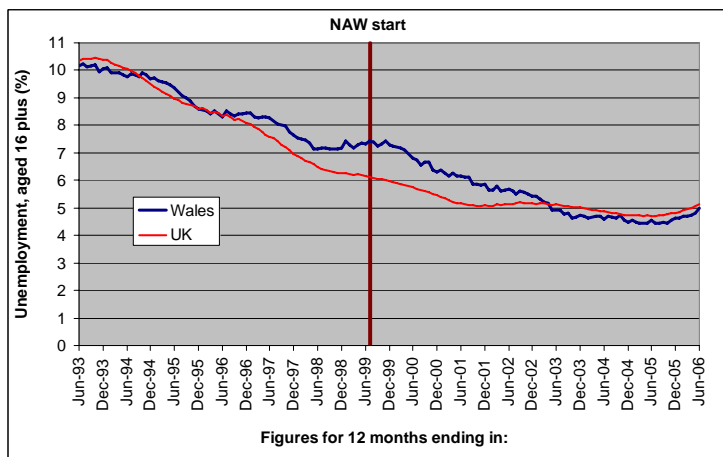
All of the estimates from the LFS are subject to sampling variation, which means that changes over time can be quite volatile, particularly for an area the size of Wales. It is therefore often more appropriate to examine the trend in a particular measure. The trend in the LFS measures given in table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

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



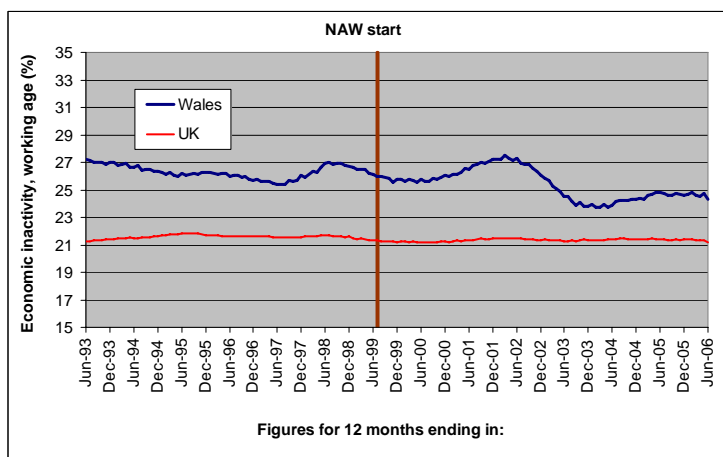
The Welsh employment rate is a little below the peak in mid 2003, but remains well above historical levels.

The average employment rate for Wales for the 12 months ending July 2006 was 71.8%, *unchanged* over the corresponding period a year earlier but a *rise* of 3.1 percentage points (pp) over 1999. The UK average employment rate was 74.6% in the 12 months ending July 2006, 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 in the current year.

The average unemployment rate for Wales for the 12 months ending July 2006 was 5.0%, a *rise* of 0.6 pp over the year and a *fall* of 2.3 pp over 1999. The UK average unemployment rate was 5.2% in the 12 months ending July 2006, a *fall* of 0.8 pp over 1999.



The Welsh economic inactivity rate grew over the period 1999 to 2001, before falling in 2002 and 2003. It has since increased slightly.

The average economic inactivity rate for Wales for the 12 months ending July 2006 was 24.3%, a *fall* of 0.4 pp over the corresponding period a year earlier and a *fall* of 1.5 pp over 1999. The UK average economic inactivity rate was 21.2% in the 12 months ending July 2006, *unchanged* 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 Dec 2004	Year to Dec 2005	<b>Change in latest over:</b>	
					Previous year	1999
<b>Employment<sup>2</sup></b>						
West Wales and the Valleys	<i>level</i>	731	794	796	3	65
	<i>rate (%)</i>	65.2	69.6	69.5	-0.1	4.4
East Wales	<i>level</i>	473	493	496	3	23
	<i>rate (%)</i>	73.6	73.9	74.2	0.2	0.5
Wales <sup>1</sup>	<i>level</i>	1,204	1,287	1,292	6	89
	<i>rate (%)</i>	68.2	71.2	71.2	0.0	3.0
United Kingdom <sup>1</sup>	<i>level</i>	26,908	27,955	28,134	179	1,226
	<i>rate (%)</i>	73.6	74.2	74.3	0.1	0.7
<b>ILO unemployment<sup>3</sup></b>						
West Wales and the Valleys	<i>level</i>	58	44	45	2	-13
	<i>rate (%)</i>	7.4	5.2	5.4	0.2	-2.0
East Wales	<i>level</i>	32	21	25	4	-7
	<i>rate (%)</i>	6.4	4.1	4.8	0.7	-1.6
Wales <sup>1</sup>	<i>level</i>	90	65	70	6	-20
	<i>rate (%)</i>	7.0	4.8	5.1	0.4	-1.8
United Kingdom <sup>1</sup>	<i>level</i>	1,689	1,393	1,436	44	-253
	<i>rate (%)</i>	5.9	4.7	4.9	0.1	-1.0
<b>Economic inactivity<sup>4</sup></b>						
West Wales and the Valleys	<i>level</i>	323	291	291	-0	-32
	<i>rate (%)</i>	29.5	26.5	26.4	-0.1	-3.1
East Wales	<i>level</i>	132	147	143	-4	11
	<i>rate (%)</i>	21.3	22.9	22.1	-0.8	0.8
Wales <sup>1</sup>	<i>level</i>	455	439	434	-5	-21
	<i>rate (%)</i>	26.5	25.1	24.8	-0.3	-1.7
United Kingdom <sup>1</sup>	<i>level</i>	7,699	7,988	7,958	-29	259
	<i>rate (%)</i>	21.7	22.0	21.8	-0.2	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).

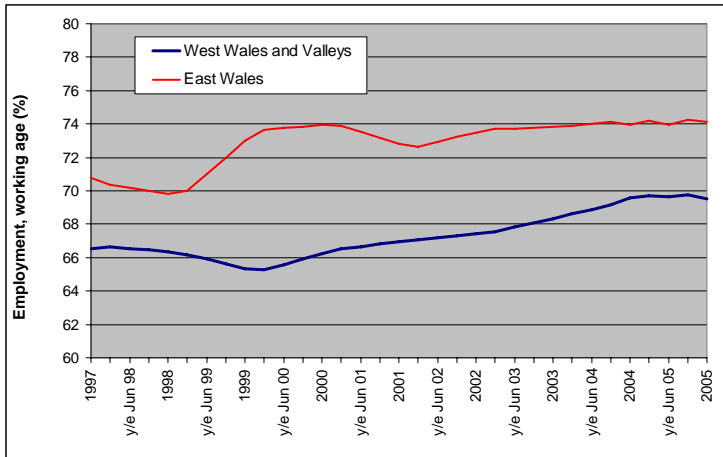
**Source: Local Labour Force Survey (LLFS), ONS/Annual Population Survey (APS), ONS**

The estimates given in table 2 are for the 12 months ending December 2005:

- The employment rate in the Objective 1 area (West Wales and the Valleys) was 4.4 percentage points *higher* than in 1999. There was an *increase* of 0.5 percentage points in the rate in East Wales over the same period.
- The unemployment rate in West Wales and the Valleys *fell* by 2.0 percentage points between 1999 and the year to December 2005. The rate in East Wales *fell* by 1.6 percentage points.
- Over the same period the economic inactivity rate *fell* by 3.1 percentage points in West Wales and the Valleys and *rose* by 0.8 percentage points in East Wales.

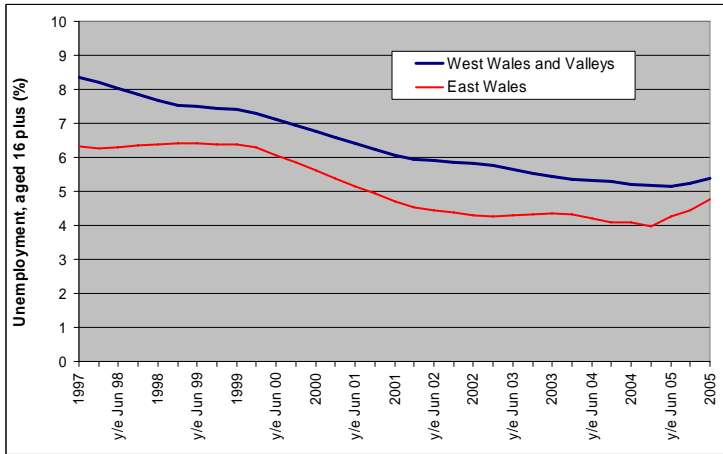
The longer-term trend in the LFS measures given in table 2 for West Wales and the Valleys and East Wales are shown in figure 2.

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



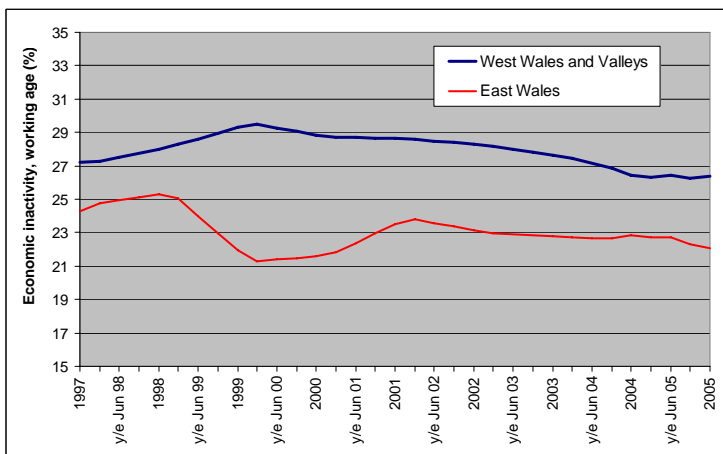
For the 12 months ending in December 2005 the average employment rate in West Wales and the Valleys was 4.4 percentage points (pp) *higher* than the average for 1999. For East Wales the rate was 0.5 pp *higher*.

There has been a fairly steady upward trend in West Wales and the Valleys and a more volatile pattern in East Wales.



For the 12 months ending in December 2005 the average unemployment rate in West Wales and the Valleys was 2.0 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 signs of a recent upturn in both West Wales and the Valleys and East Wales.



For the 12 months ending in December 2005 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 0.8 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:		
	Jun 1999	Jun 2005	Mar 2006	Jun 2006	Mar 2006	Jun 2005	Jun 1999
<b>Employee jobs (seasonally adjusted):</b>							
Wales	1,062	1,171	1,182	1,190	0.7	1.6	12.1
UK	25,124	26,650	26,718	26,806	0.3	0.6	6.7
<b>Workforce jobs (not seasonally adjusted):</b>							
Wales	1,221	1,348	..	1,378	..	2.2	12.9
UK	28,819	30,566	..	30,820	..	0.8	6.9

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 June 2006, employee jobs in Wales *increased* by 1.6%, compared to an *increase* of 0.6% across the UK as a whole. Between June 1999 and June 2006, employee jobs *increased* by 12.1% in Wales, compared to an *increase* of 6.7% across the UK over the same period.
- Workforce jobs in Wales *increased* by 2.2% over the year to June 2006, compared to 0.8% 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, due to the availability of the Annual Business Inquiry data used to derive the industry breakdown. 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:	
	Jun 2005	Jun 2006	Number	Percentage
<b>Wales:</b>				
Agriculture, forestry and fishing	13	12	-0	-2
Mining, energy and water supplies industries	7	8	1	16
Manufacturing industries	179	171	-8	-5
Construction	43	57	14	32
Retail, wholesale, hotels and restaurants	282	285	3	1
Transport, storage and communication	55	54	-0	-0
Finance and business activities	135	137	1	1
Public administration, education and health	389	399	10	2
Other industries	65	66	1	1
<b>All industries</b>	<b>1,168</b>	<b>1,189</b>	<b>21</b>	<b>2</b>
<b>United Kingdom:</b>				
Agriculture, forestry and fishing	240	227	-13	-5
Mining, energy and water supplies industries	159	168	9	6
Manufacturing industries	3,131	3,044	-88	-3
Construction	1,193	1,264	71	6
Retail, wholesale, hotels and restaurants	6,445	6,428	-18	-0
Transport, storage and communication	1,582	1,586	4	0
Finance and business activities	5,289	5,371	82	2
Public administration, education and health	7,160	7,252	93	1
Other industries	1,409	1,436	28	2
<b>All industries</b>	<b>26,608</b>	<b>26,776</b>	<b>169</b>	<b>1</b>

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

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

- Over the year to June 2006, the number of *employee* jobs in manufacturing in Wales *fell* by 5%, whilst there were *rises* in construction (up 32%), 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*

		Aug 2005	Jul 2006	Aug 2006	Change in latest over:	
					Previous month	Previous year
<b>Wales</b>	<i>level</i>	41.6	44.3	44.4	0.1	2.8
	<i>rate (%)</i>	3.0	3.2	3.2	0.0	0.2
<b>UK</b>	<i>level</i>	869.3	954.0	950.1	-3.9	80.8
	<i>rate (%)</i>	2.7	3.0	3.0	0.0	0.3

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 August 2006, the claimant count levels and rates *rose* in both Wales and the UK compared to the same period a year ago.
- The claimant count level also *rose* compared to the previous month in Wales, but fell in the UK as a whole.
- In August 2006, the claimant count rate in Wales was 3.2%, 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*

		Aug 2005	Aug 2006	Change:
<b>Wales<sup>2</sup></b>	<i>level</i>	41.9	44.4	2.5
	<i>rate (%)</i>	2.4	2.5	0.1
<b>West Wales and the Valleys<sup>2</sup></b>	<i>level</i>	27.9	29.1	1.2
	<i>rate (%)</i>	2.5	2.6	0.1
<b>East Wales<sup>2</sup></b>	<i>level</i>	14.0	15.3	1.3
	<i>rate (%)</i>	2.1	2.3	0.2

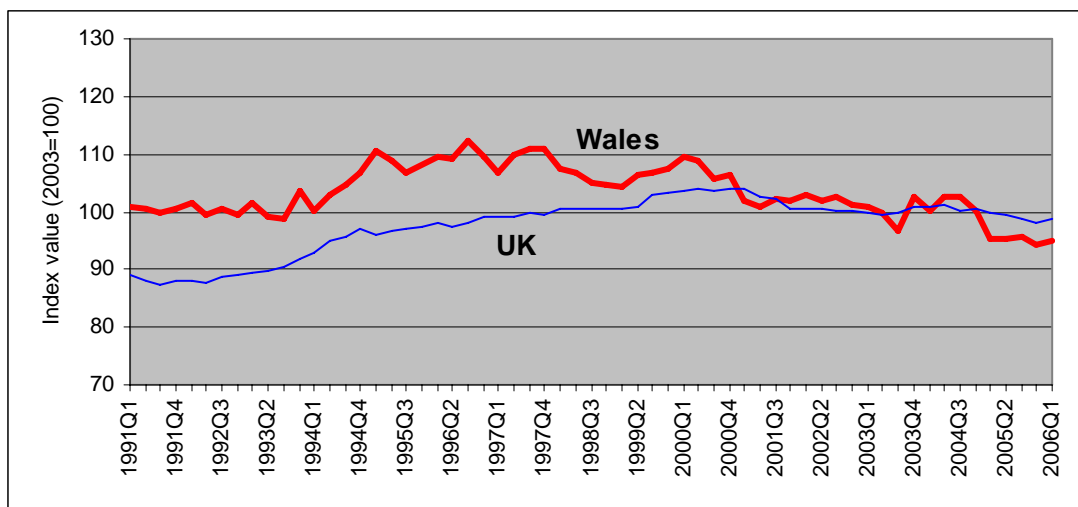
1. The figures in this table are not seasonally adjusted and so the levels are also not comparable to those given in table 5. A monthly change is not shown, as this would be heavily affected by seasonal factors.
2. Claimant count rates in this table are calculated using residence-based denominators, 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 August 2006, the claimant count level *rose* in both the Objective 1 area (West Wales and the Valleys) and in East Wales compared to August 2005.
- The claimant count rate also *rose* in both areas over the same period, with the difference in the rate between West Wales and the Valleys and East Wales *decreasing* slightly to 0.3 percentage points.

## 1.2 THE ECONOMY

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

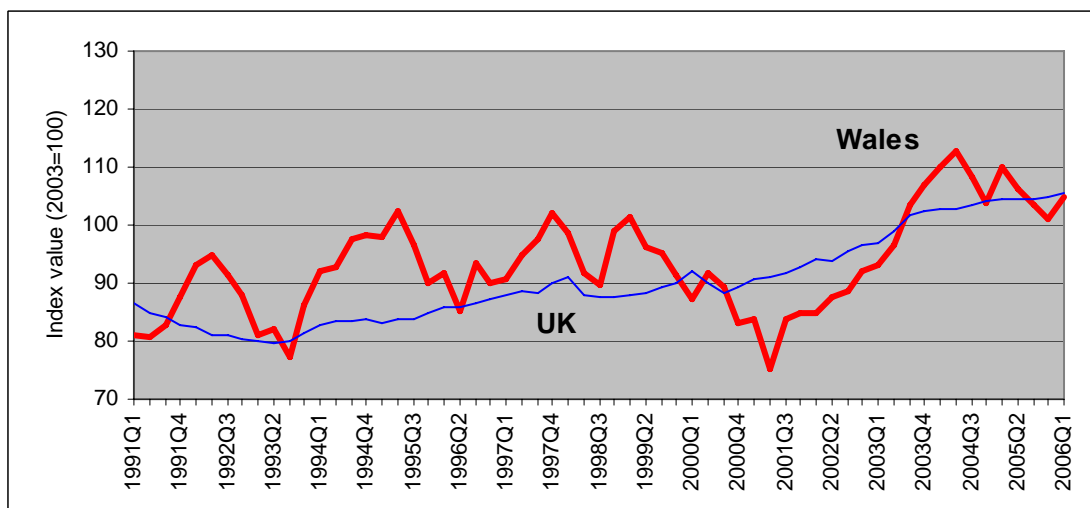


1. Production industries are manufacturing, mining and quarrying and electricity, gas and water.

**Source: Welsh Assembly Government and ONS**

- The Index of Production for Wales for the latest four quarters *fell* by 5.1% compared with the previous four quarters. There was a significant *increase* in the mining and quarrying sector, which was offset by a *decrease* in the manufacturing sector. The UK index *fell* by 1.7% over the same period.

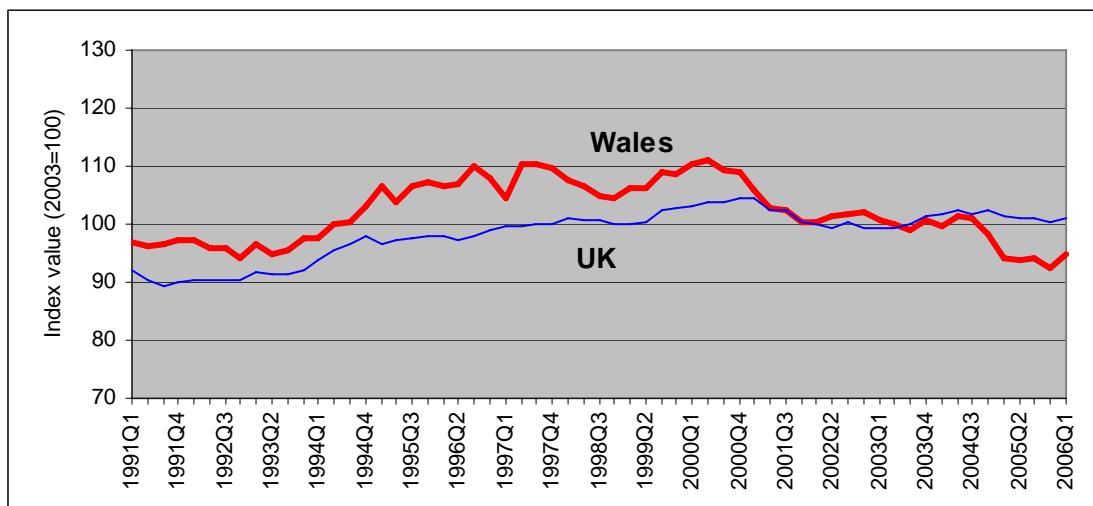
**Figure 3.2 Index of Construction: Wales and the UK**



**Source: Welsh Assembly Government and ONS**

- Construction output over the latest four quarters *fell* by 4.4% compared with the previous four quarters. There was a *rise* in the UK index of 1.0% during this period.
- Construction output for the latest quarter *rose* by 3.9% compared with the previous quarter. The UK figure showed a *rise* of 0.7% over the same period.

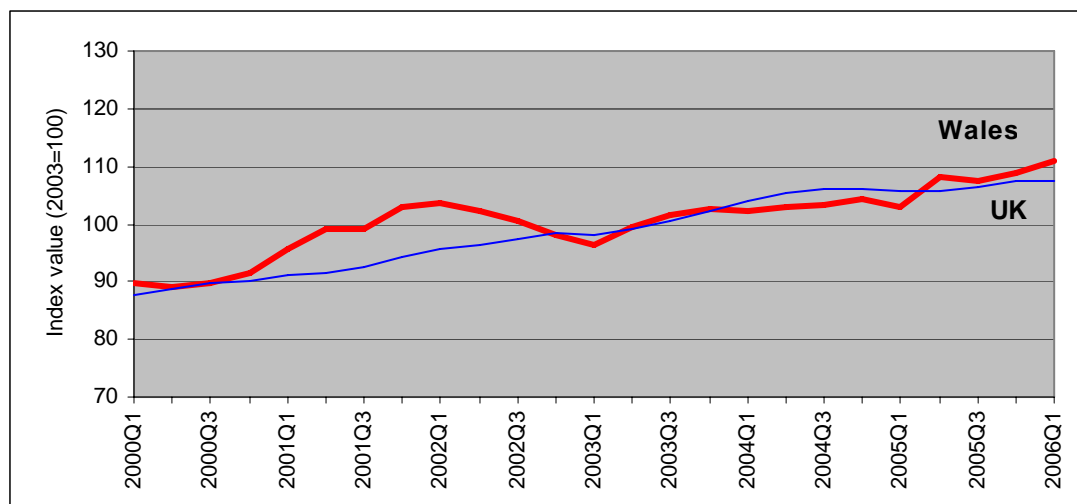
**Figure 3.3 Index of Manufacturing: Wales and the UK**



**Source: Welsh Assembly Government and ONS**

- Manufacturing output over the latest four quarters *fell* by 5.1% compared with the previous four quarters. Manufacturing output in the UK *fell* by 1.1% during this period.
- Manufacturing output for the latest quarter *rose* by 2.7% compared with the previous quarter. The UK index *rose* by 0.9% over the same period.

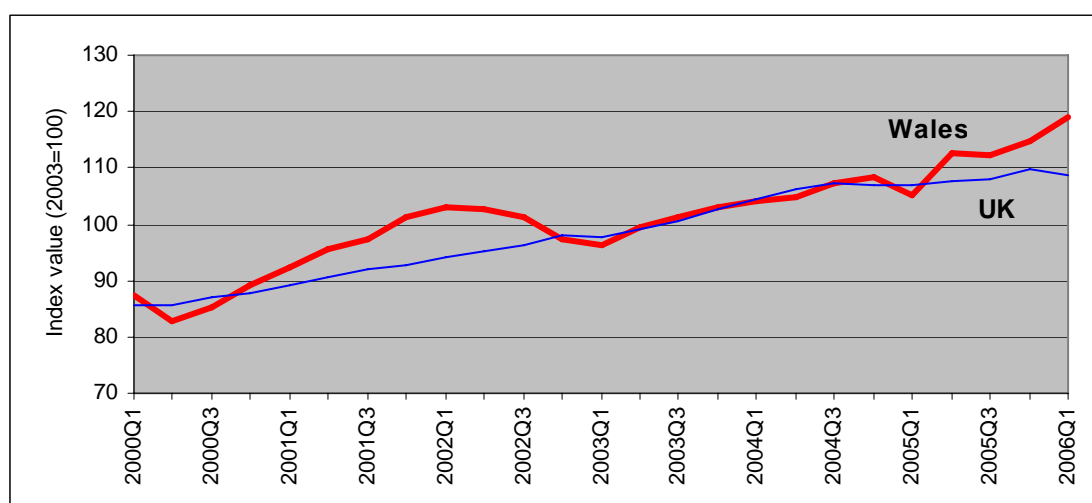
**Figure 4.1 Experimental Index of Distribution: Wales and the UK**



Source: Welsh Assembly Government and ONS

- The Index of Distribution for Wales for the latest four quarters *rose* by 5.4% compared with the previous four quarters. There were *increases* in the retail and wholesale sectors, which were partially offset by a *decrease* in the motor trade. The UK index *rose* by 0.9% over the same period.

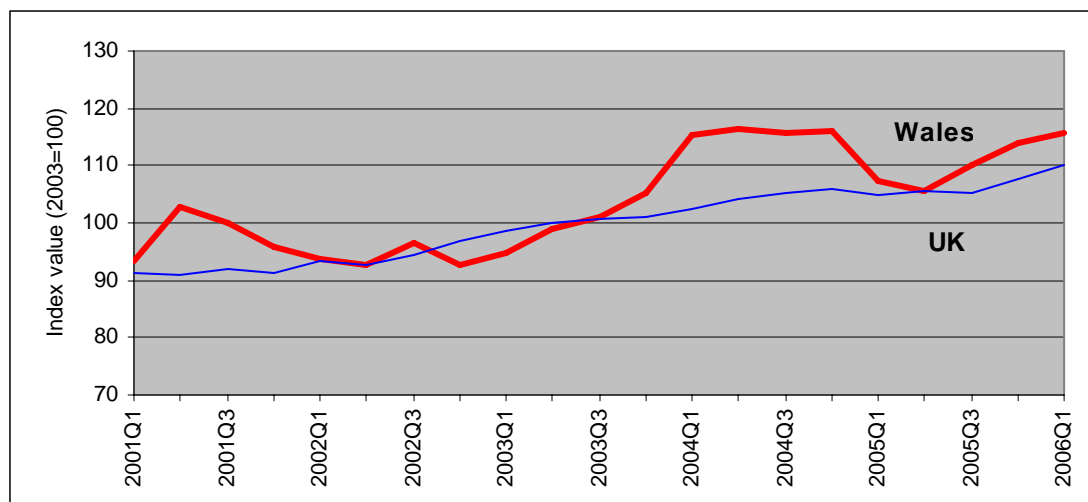
**Figure 4.2 Experimental Index of Retail: Wales and the UK**



Source: Welsh Assembly Government and ONS

- Output in the Welsh retail sector *increased* by 7.7% in the latest four quarters compared with the previous four quarters. There was a *rise* in the UK index of 1.5% during this period.
- Retail output for the latest quarter *rose* by 3.7% compared with the previous quarter. The UK figure showed a *fall* of 0.8% on last quarter.

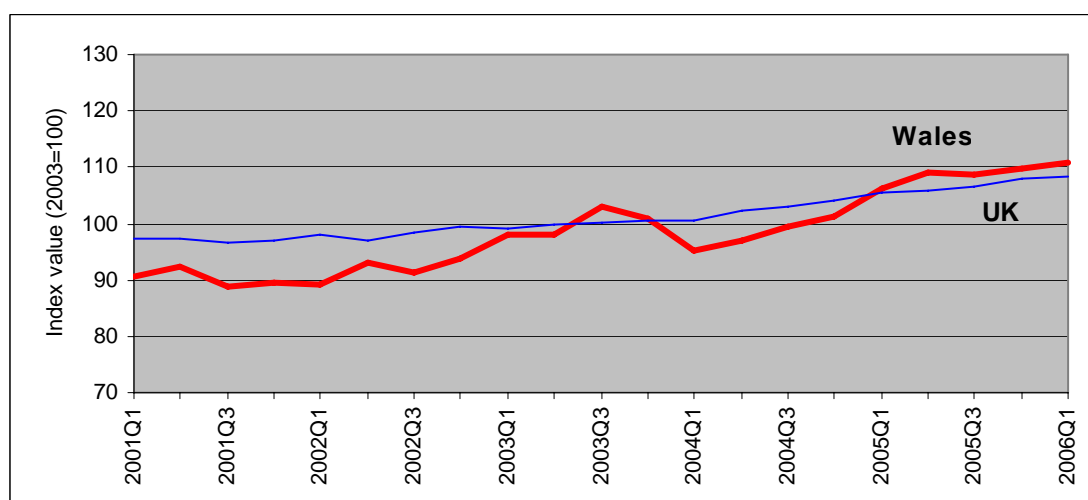
**Figure 4.3 Experimental Index of Hotels and Restaurants: Wales and the UK**



Source: Welsh Assembly Government and ONS

- The Index of Hotels and Restaurants for Wales for the latest four quarters *fell* by 2.2% compared with the previous four quarters. There was an *increase* in the restaurants and catering sector, which was more than offset by *decreases* in the accommodation and the pubs and clubs sectors. The UK index *rose* by 2.0% 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 8.5% compared with the previous four quarters. There were *increases* in the transport support and the post and telecommunication sectors, which were partly offset by a *decrease* in the land transport sector. The UK index *rose* by 3.4% over the same period.

**Table 7 Value of exports<sup>1</sup>: Wales**

*Value of exports, £m*

	4 quarters ending Jun 2005	4 quarters ending Jun 2006	<b>Change:</b>	
			£m	Percentage
<b>Exports to:</b>				
the EU <sup>2</sup>	5,643	5,480	-163	-2.9
the rest of the world <sup>2</sup>	3,106	3,515	408	13.1
<b>Total exports</b>	8,749	8,995	246	2.8
<b>Total exports for UK regions <sup>3</sup></b>	174,307	206,235	31,929	18.3

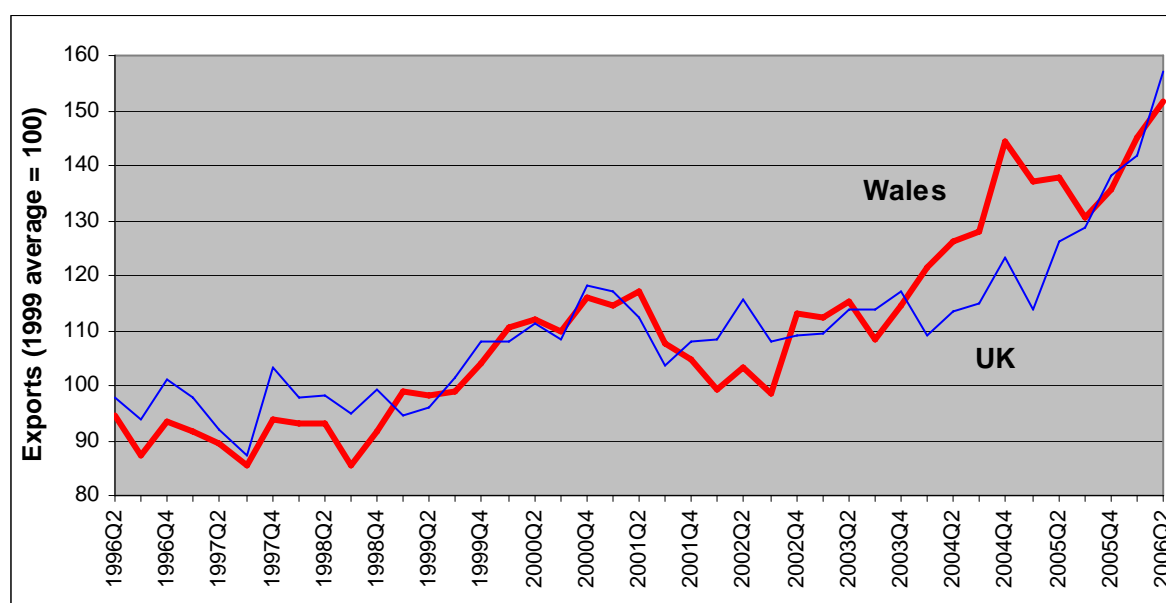
*Value of exports, £m*

	1999 average	4 quarters ending Jun 2006	<b>Change:</b>	
			£m	Percentage
<b>Exports to:</b>				
the EU <sup>2</sup>	4,690	5,480	790	16.8
the rest of the world <sup>2</sup>	1,704	3,515	1,811	106.3
<b>Total exports</b>	6,394	8,995	2,601	40.7
<b>Total exports for UK regions <sup>3</sup></b>	145,799	206,235	60,436	41.5

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'.
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 4 quarters ending June 2006 rose by 2.8% compared to the 4 quarters ending June 2005. The corresponding figure for the total of the UK regions was a *rise* of 18.3%.
- The value of Welsh exports to the EU *fell* by 2.9% over this period, while the value of exports to the rest of the World increased by 13.1%. The EU still accounts for over 60% of Welsh exports by value.
- Looking over the longer term, the value of Welsh exports for the year to quarter 2, 2006 were 40.7% higher than in 1999, compared to 41.5% higher for the total of the UK regions.

## 2 ANNUAL DATA

**Table 8 Headline economic indicators: Wales**

	1999	2000	2001	2002	2003	2004	2005
<b>GVA per head<sup>1</sup></b> (UK=100)	78.5	78.4	78.9	78.6	78.8	79.1	na
<b>Household income per head<sup>2</sup></b> (UK=100)	86.6	86.6	86.9	87.4	87.6	88.0	na
<b>Business registrations per head<sup>3</sup></b>							
Wales	35	36	34	36	40	39	na
UK	49	49	46	48	51	49	na
<b>Non-agricultural business registrations per head<sup>3</sup></b>							
Wales	33	34	33	34	38	37	na
UK	48	48	46	47	50	48	na
<b>Businesses per head<sup>4</sup></b>							
Wales	452	452	453	455	453	452	450
UK	477	482	487	488	491	494	491
<b>Non-agricultural businesses per head<sup>4</sup></b>							
Wales	349	350	353	357	356	358	361
UK	434	440	445	447	450	454	453
<b>Gross weekly earnings (£)<sup>5</sup></b>							
Wales	358.7	372.8	385.8	405.2	421.8	438.7	454.4
UK	407.8	425.1	449.7	472.1	487.1	498.6	517.0
<b>Growth in exports on previous year<sup>6</sup></b>							
Wales	10.1%	12.2%	-1.0%	-6.8%	8.7%	15.6%	4.0%
sum of UK regions	2.6%	11.5%	-1.2%	0.0%	3.1%	1.5%	10.0%
<b>Business enterprise R&amp;D<sup>7</sup></b>							
Percentage of GDP	0.7%	0.5%	0.4%	0.5%	0.7%	0.6%	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	<i>Percentage change:</i>	2001	2004	<i>Percentage point change:</i>
<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 Local labour market statistics<sup>1</sup>: Welsh local authorities, 2005**

	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	28,134	74.3	1,436	4.9	7,958	21.8	6,239	18.7
<b>Wales</b>	1,292	71.2	70	5.1	434	24.8	350	21.8
Isle of Anglesey	29	71.2	2	5.0	10	24.9	8	22.2
Gwynedd	52	73.4	2	3.6	16	23.8	11	17.9
Conwy	49	74.5	2	3.8	14	22.3	11	19.0
Denbighshire	44	76.3	2	3.7	12	20.9	9	18.2
Flintshire	74	77.2	2	2.5	19	20.8	16	18.1
Wrexham	62	75.6	3	4.8	17	20.5	14	18.8
Powys	61	77.5	2	2.8	15	20.2	11	16.4
Ceredigion	36	68.1	1	4.0	14	28.9	9	22.9
Pembrokeshire	51	71.9	3	6.2	15	23.2	13	21.1
Carmarthenshire	75	70.6	2	3.0	27	27.1	23	24.8
Swansea	98	70.6	5	4.7	35	25.9	26	21.7
Neath Port Talbot	53	64.8	4	7.4	24	29.9	21	28.8
Bridgend	56	69.9	4	6.2	20	25.4	17	23.3
The Vale of Glamorgan	56	73.5	3	5.0	17	22.5	13	19.2
Cardiff	139	70.0	9	6.4	49	25.2	33	19.6
Rhondda, Cynon, Taff	96	68.3	6	6.3	37	27.0	32	25.0
Merthyr Tydfil	21	62.5	2	7.8	11	32.1	9	31.1
Caerphilly	72	66.8	5	6.6	30	28.4	26	26.4
Blaenau Gwent	27	63.8	3	8.6	12	30.0	11	28.5
Torfaen	38	68.1	2	6.2	15	27.3	13	25.9
Monmouthshire	42	78.8	2	3.7	9	18.1	8	17.0
Newport	61	73.6	4	6.1	17	21.5	14	19.2

1. Data are taken from the Welsh Local / Annual Local Area Labour Force Survey, and represent annual estimates of the position in 2005. 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 62.5% in Merthyr Tydfil to 78.8% in Monmouthshire.
- Unemployment rates for economically active people aged 16 or over varied from 2.5% in Flintshire and 2.8% in Powys to 7.8% in Merthyr Tydfil and 8.6% in Blaenau Gwent.
- When looking at economic inactivity between local authorities it is important to exclude students as they are disproportionately spread between local authorities. 21.8% of the working age population excluding students in Wales were economically inactive. The highest rate was 31.1% in Merthyr Tydfil, and the lowest rate was 16.4% in Powys.

### 3 ANNEX A

**Table A1 Employment, unemployment and inactivity:  
West Wales and the Valleys and East Wales<sup>1</sup>  
(using the former quarterly basis)**

*levels in thousands*

		1999	12 months to Feb 2005	12 months to Feb 2006	Change over latest year	Change over 1999
<b>Employment<sup>2</sup></b>						
<b>West Wales and the Valleys</b>	<i>level</i>	737	794	794	-0	57
	<i>rate (%)</i>	66.0	69.8	69.5	-0.3	3.5
<b>East Wales</b>	<i>level</i>	477	514	506	-8	28
	<i>rate (%)</i>	74.0	76.0	75.1	-0.9	1.1
<b>Wales<sup>1</sup></b>	<i>level</i>	1,215	1,308	1,300	-8	85
	<i>rate (%)</i>	68.9	72.1	71.6	-0.5	2.7
<b>United Kingdom<sup>1</sup></b>	<i>level</i>	27,043	28,161	28,295	134	1,252
	<i>rate (%)</i>	74.0	74.7	74.6	-0.2	0.6
<b>ILO unemployment<sup>3</sup></b>						
<b>West Wales and the Valleys</b>	<i>level</i>	61	42	45	3	-16
	<i>rate (%)</i>	7.7	5.1	5.4	0.3	-2.3
<b>East Wales</b>	<i>level</i>	33	19	19	0	-14
	<i>rate (%)</i>	6.5	3.6	3.6	0.1	-2.8
<b>Wales<sup>1</sup></b>	<i>level</i>	94	61	64	3	-30
	<i>rate (%)</i>	7.2	4.5	4.7	0.2	-2.5
<b>United Kingdom<sup>1</sup></b>	<i>level</i>	1,695	1,395	1,458	63	-238
	<i>rate (%)</i>	5.9	4.7	4.9	0.2	-1.0
<b>Economic inactivity<sup>4</sup></b>						
<b>West Wales and the Valleys</b>	<i>level</i>	311	287	290	3	-20
	<i>rate (%)</i>	28.4	26.3	26.4	0.1	-2.0
<b>East Wales</b>	<i>level</i>	129	138	143	5	14
	<i>rate (%)</i>	20.8	21.1	22.0	0.9	1.2
<b>Wales<sup>1</sup></b>	<i>level</i>	440	425	433	8	-6
	<i>rate (%)</i>	25.7	24.4	24.8	0.4	-0.9
<b>United Kingdom<sup>1</sup></b>	<i>level</i>	7,539	7,800	7,833	34	295
	<i>rate (%)</i>	21.3	21.5	21.5	0.0	0.2

1. The data shown in this table are based on the quarterly LFS datasets averaged over a 12 month period. This table is being replaced in future versions of this report with that based on the more robust annual datasets. The Wales and UK figures in this table do not agree with those shown in table 1 for a number of reasons, including timing and the fact that 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: Labour Force Survey (LFS), ONS**