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Skills in England 2003

Volume 4

Regional and Local Evidence

Learning+Skills Council

Report prepared for the Learning and Skills Council by

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Sector Skills Development Agency

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Preface

Skills in England 2003 is presented in four volumes this year. *Volume 1* provides key messages and an overview of the research findings in the other three volumes. *Volume 2* is the main research report and this year, as well as containing the same core of information as in previous years – separate chapters on skills supply, skills demand, mismatches between demand and supply, and future skill needs – also contains other chapters that look at issues which are particularly topical this year. To this end a chapter is contained on the latest developments in policy given the publication of several important policy documents since last year's *Skills in England* report. Given the emphasis in policy on stimulating the demand for skills, a chapter is presented on the links between investments in skills and training and organisational performance.

It is also important to recognise that the benefits of economic growth and investments in training and skills do not affect everyone equally. There are groups in society who fail to obtain advantage from training and skills development and to illustrate this a chapter on social exclusion and equality of opportunity has been included this year. An important element of combating social exclusion has been the use of labour market programmes such as New Deal. Labour market programmes often contain a large element devoted to training of one kind or another and have been an important tool of labour market policy in many European countries. Arguably there is much more emphasis on active labour market policy in Britain today than hitherto with programmes such as New Deal, so a chapter has been devoted to this aspect of skills development. Finally, *Volumes 3* and *4* provide evidence related to industrial sector and regional/local trends respectively.

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The review has been divided into nine Government Office Regions and 47 local Learning and Skills Council areas.

Regional Overview

4.1 This volume presents a set of regional and local profiles that covers the whole of the English economy. These profiles summarise the economic and labour market context for each locality. A summary table is presented for each Regional Development Agency (RDA) and local LSC area showing comparable information on:

- demographic characteristics;
- economic indicators (including house prices to income ratios and earnings);
- sectoral structure (including the importance of manufacturing and services and rapidly growing and declining industries);
- indicators of skill deficiencies; and
- unemployment rate.

In order to illustrate sectoral and occupational structure, the tables use measures of occupational employment shares and the percentage of total employment in the 10 best and 10 worst-performing industries in England by employment growth. The categories used are summarised in Tables 1.1 to 1.3. Table 1.4 provides a broad overview, showing how the various regions of England compare on this set of indicators.

Table 1.1: Major Occupational Groups (SOC 2000)

1	Managers and Senior Officials
2	Professional Occupations
3	Associate Professional and Technical Occupations
4	Administrative and Secretarial Occupations
5	Skilled Trades Occupations
6	Personal Service Occupations
7	Sales and Customer Service Occupations
8	Process, Plant and Machine Operatives
9	Elementary Occupations

Table 1.2: Ten worst-performing English industries

1	Textiles and Clothing
2	Utilities
3	Mining
4	Agriculture
5	Wood and Paper
6	Metals and Metal Goods
7	Engineering
8	Chemicals and NMM
9	Sale and Maintenance of Motor Vehicles
10	Public Administration and Defence

Note(s): *10 Worst-Performing English industries of 27 by employment growth 1992–2002.*
Source(s): *Cambridge Econometrics (CE) and the University of Warwick Institute for Employment Research (IER), see Annex A.*

Table 1.3: Ten best-performing English industries

1	Transport
2	Wholesale Distribution
3	Manufacturing not elsewhere specified (nes) and Recycling
4	Hotels and Catering
5	Education
6	Communications
7	Miscellaneous Services
8	Professional Services
9	Other Business Services
10	Computing Services

Note(s): *10 best-performing English industries of 27 by employment growth 1992–2002.*
Source(s): *CE and IER, see Annex A.*

Table 1.4a: Regional Overview

		Pop density (below average)	House price to income ratio (3.5 or above)	Average earnings (above average)	Importance of Manufacturing (above average)
1	London		X	X	
2	South East		X	X	
3	East of England		X	X	
4	South West	X	X		
5	The West Midlands				X
6	The East Midlands				X
7	Yorkshire and the Humber				X
8	The North West				X
9	The North East				X

Note(s): *All data refer to UK.*
Source (s): *CE and IER estimates, see Annex A for details. Cambridge Econometrics (2002), UK Regional Report, July 2002.*

Table 1.4b: Regional Overview

		Importance of financial and business services (above average)	SSVs (above average)[1]	HtFVs (above average)[1]	Unemployment rate (above average)
1	London	X			
2	South East	X	X	X	
3	East of England		X	X	
4	South West			X	
5	The West Midlands				X
6	The East Midlands	X		X	X
7	Yorkshire and the Humber	X		X	X
8	The North West			X	X
9	The North East	X			X

Note(s): *1. All data refer to UK except for the indicators marked which relate England only.*
Source (s): *CE and IER estimates, see Annex A for details. Cambridge Econometrics (2002), UK Regional Report, July 2002.*

Manufacturing employment levels continue to decline.

4.2 Manufacturing accounts for less than 14.5 per cent of total employment in all regions, and this proportion is considerably lower in high-cost locations (3.8 per cent in Central London). Manufacturing employment is falling in all regions for a variety of reasons; high-cost regions typically experience a shift towards higher productivity (and higher skill) activities, while low-cost regions experience competition from low-wage economies elsewhere.

Recruitment problems are most severe in the southern parts of England.

4.3 The change in the structure of the economy is reflected in the number of hard-to-fill vacancies (HtFVs) and skill-shortage vacancies (SSVs). This is because the skills base changes at a slower rate than the demands of employers. HtFVs and SSVs are therefore expected to be most common in the more dynamic regions of England (London and the South East). The South West also has a higher than average number of HtFVs and SSVs in the successful eastern parts of the region. The West Midlands has a higher number of HtFVs than the national average, but the number of SSVs is below the national average.

In some regions high unemployment indicates skills mismatches and structural imbalances and in others the weak demand for labour.

4.4 Regarding unemployment, the picture is less straightforward. Despite a large number of HtFVs and SSVs, London also has a higher than average rate of unemployment. This indicates the existence of skills imbalances and/or mismatches in London. Unemployment is also higher than the UK average in areas such as the West Midlands, where the region's economy is experiencing structural changes. Further north, the higher rate of unemployment is more likely to reflect weak demand for labour.

4.5 All of the English regions except the South West have a higher population density than the UK average. The South, including London, also has the more expensive houses. The average ratio of house prices to income is more than 3.5 in London, the South East and the South West. In the East of England and the Midlands the ratio is around 3.5, while in the North of England (Yorkshire and the Humber, the North West, and the North East) the ratio is much lower at 3.0 or less.

4.6 House prices vary more than these ratios would suggest because earnings also vary in the same way. In London, the South East, and the East of England earnings are much greater than the UK average. Elsewhere earnings are below average, emphasising the gap between these three regions and the rest. In some parts of the South West the region's attractiveness as a location for retirement has pushed up house prices relative to the incomes of people working there; they also reflect the more buoyant economy in the eastern part of the region.

Regional Profiles

London

4.7 The London region has a population of almost 7.2 million, making it the largest city in Europe. Of the almost 7.2 million residents 4.5 million are employed, making London a large market in its own right. London is also highly cosmopolitan with 1.9 million residents from minority ethnic groups, almost half the total for the UK, who own 20 per cent of the capital's businesses.

4.8 London is one of the major international business and trading centres and the leading choice for international investment in Europe. The London Stock Exchange has more foreign company listings than any other in the world. As a result it is the base for around 550 foreign banks as well as the headquarters of many international companies. Excellent air links with the rest of the world through nearby airports at Heathrow, Gatwick, Stansted and Luton, and fast Eurostar rail links to mainland Europe contribute to London's global position.

London is one of the major international business and trading centres and the leading choice for international investment in Europe.

4.9 London's GVA (gross value added, the contribution individual sectors and industries make to gross domestic product) is the largest per head of all the regions. Almost 40 per cent of this is generated by finance and business services, which employ over 1.4 million people. The figure may be more since many of the companies listed as involved in manufacturing and production have activities such as marketing and sales and other business support in their London branches. Manufacturing accounts for 9 per cent of GVA in London compared to the UK average of 18 per cent. It is a sector which has lost jobs in London twice as fast as elsewhere in the UK, making it partly responsible for inner London's unemployment rate being twice the national average.

The industrial structure of London is dominated by financial and business services.

4.10 London is also a major centre for higher and further education (HE and FE), with 27 universities, 12 HE colleges and 57 FE colleges. London's universities generate about 25 per cent of the UK's research revenues, the largest of any region. Over 20 per cent of the higher education student population of England is in London.

4.11 London's problems include inner city poverty, increasing congestion, pollution and the high cost of living, particularly where housing is concerned, and high industrial and commercial rents and other costs.

4.12 London encompasses a wide range of communities and there are wide disparities in terms of prosperity between different parts of the city. Despite recent strong growth in London's economy, and the associated improvements in the well-being of its inhabitants, these differences remain and the capital has some of the country's most prosperous districts and also some of its most deprived.

There are wide disparities in terms of prosperity between different parts of London.

London

Local LSCs: London North; London West; London Central; London East; London South.	
Population (thousands)[1]	7,188
Population of Working Age (thousands)[1]	4,931
Minority Ethnic Groups (%)	
White	71.2
Black	10.9
Indian	6.1
Bangladeshi/Pakistani	4.1
Other/Mixed	7.7
Population Change: 1990-2000 (% pa)[1]	0.4
Population Density (persons per square km)[1]	4,572
Employment (thousands)	4,490
Change: 1992-2002 (% pa)	1.6
Change: 1997-2002 (% pa)	2.4
Employment in 10 Worst Performing UK Industries (%)	9.5
Employment in 10 Best Performing UK Industries (%)	58.1
Top Three Occupational Groups (% of Total Emp.)	
Associate Professional and Technical Occupations	18.8
Managers and Senior Officials	18.0
Administrative and Secretarial Occupations	14.0
Workforce with NVQ4+ Qualifications (%)[1]	30.5
Workforce with no Qualifications (%)[1]	15.2
Average Gross Weekly Pay (£s)	533
Unemployment Rate (ILO)	6.6
Establishments Reporting HtFVs (%)	3.9
Establishments Reporting SSVs (%)	2.8

Note(s): *Data are for 2002 except [1] where data are for 2001.*
Source(s): *CE and IER estimates based on various sources (see Annex A for details).*

London local LSC areas

4.13 London has in general been successful in generating employment and has had some of the highest levels of employment growth over the five years before 2002. Three local LSC areas of London rank in the top five for employment growth with the exception of London South, which ranks 15th. Over the period 1992 to 2002 London Central was ranked first in employment growth, however, the global slowdown hit financial and business services strongly, contributing to job losses in the city. This explains London Central falling to 3rd in the rank for employment growth over the period 1997 to 2002. London's success in generating employment is partly due to the greater representation of growth industries. All local LSC areas of London rank in the top 10 for employment in the 10 best-performing industries in England with London Central first. In terms of employment in the 10 worst-performing industries in England, the London local LSC areas occupy the five lowest.

London has been successful in generating employment.

4.14 In terms of the unemployment rate, London is not doing as well as this employment growth rate might suggest. By far the worst are London East and London Central, which are ranked 3rd and 4th in the worst unemployment rate in England, at 4.9 per cent and 5.1 per cent respectively. Other local LSC areas of London do not have a much better unemployment rate than the UK average. One reason for this is the large number of commuters that are often better qualified than the local workforce for the available jobs in London. Another reason is London's relatively fast shift away from manufacturing towards service industries, which has caused skills mismatches, especially in the northern parts of London. Also, London's strong population growth due to international immigration means that employment growth is not necessarily going to help those currently unemployed.

London has some of the highest and lowest unemployment rates in England, reflecting skills mismatches.

4.15 London has the lowest rate of HtFVs and SSVs anywhere in England. In HtFVs London local LSCs rank in the lowest five positions. At 30th and 42nd place for SSVs London West and London South rank slightly higher than the other London local LSC areas, which rank in the lowest three places in England. The main reasons for this are the lower levels of appropriate qualifications in these regions and the difficulty in hiring faced by the public sector.

London has the lowest rate of hard-to-fill vacancies and skill-shortage vacancies anywhere in England.

4.16 In general, the London local LSCs rank high in the level of qualifications held by the working population. Four of the five London local LSC areas are ranked in the top ten for qualifications at level NVQ4 or above. The main exception is London East, which ranks much lower in this category at 23rd. The main difference between London East and the other London local LSCs is the number of the working population with no qualifications. London East ranks 5th in the category with around 20 per cent of the working age population, whereas the other London local LSCs rank between 24th and 43rd.

London has the highest percentage of the working population at a highly qualified level.

London North

Population (thousands)[1]	1,025
Population of Working Age (thousands)[1]	695
Minority Ethnic Groups (%)	
White	71.0
Black	12.2
Indian	5.1
Bangladeshi/Pakistani	3.4
Other/Mixed	8.3
Population Change: 1991-2001 (% pa)[1]	0.4
Population Density (persons per square km)[1]	4,316
Employment (thousands)	367
Change: 1992-2002 (% pa)	0.6
Change: 1997-2002 (% pa)	1.6
Employment in 10 Worst Performing UK Industries (%)	12.0
Employment in 10 Best Performing UK Industries (%)	51.6
Top Three Occupational Groups (% of Total Emp.)	
Associate Professional and Technical Occupations	17.4
Managers and Senior Officials	16.7
Professional Occupations	13.9
Workforce with NVQ4+ Qualifications (%)[1]	29.4
Workforce with no Qualifications (%)[1]	15.4
Average Gross Weekly Pay (£s)	389
Unemployment Rate (ILO)	4.6
Establishments Reporting HtFVs (%)	3.7
Establishments Reporting SSVs (%)	2.4

Note(s): *Data are for 2002 except [1] where data are for 2001.*
Source(s): *CE and IER estimates based on various sources (see Annex A for details).*

London West

Population (thousands)[1]	1,395
Population of Working Age (thousands)[1]	965
Minority Ethnic Groups (%)	
White	62.9
Black	9.1
Indian	14.8
Bangladeshi/Pakistani	3.4
Other/Mixed	9.7
Population Change: 1991-2001 (% pa)[1]	0.6
Population Density (persons per square km)[1]	4,130
Employment (thousands)	793
Change: 1992-2002 (% pa)	1.7
Change: 1997-2002 (% pa)	2.9
Employment in 10 Worst Performing UK Industries (%)	10.5
Employment in 10 Best Performing UK Industries (%)	61.7
Top Three Occupational Groups (% of Total Emp.)	
Associate Professional and Technical Occupations	18.2
Managers and Senior Officials	17.8
Professional Occupations	12.8
Workforce with NVQ4+ Qualifications (%)[1]	32.2
Workforce with no Qualifications (%)[1]	12.8
Average Gross Weekly Pay (£s)	469
Unemployment Rate (ILO)	3.8
Establishments Reporting HtFVs (%)	5.1
Establishments Reporting SSVs (%)	4.1

Note(s): Data are for 2002 except [1] where data are for 2001.
Source(s): CE and IER estimates based on various sources (see Annex A for details).

London East

Population (thousands)[1]	1,963
Population of Working Age (thousands)[1]	1,307
Minority Ethnic Groups (%)	
White	69.3
Black	12.1
Indian	5.0
Bangladeshi/Pakistani	7.5
Other/Mixed	6.1
Population Change: 1991-2001 (% pa)[1]	0.6
Population Density (persons per square km)[1]	4,608
Employment (thousands)	1,100
Change: 1992-2002 (% pa)	1.5
Change: 1997-2002 (% pa)	2.3
Employment in 10 Worst Performing UK Industries (%)	8.4
Employment in 10 Best Performing UK Industries (%)	52.8
Top Three Occupational Groups (% of Total Emp.)	
Associate Professional and Technical Occupations	18.2
Managers and Senior Officials	17.9
Administrative and Secretarial Occupations	16.9
Workforce with NVQ4+ Qualifications (%)[1]	21.7
Workforce with no Qualifications (%)[1]	21.1
Average Gross Weekly Pay (£s)	491
Unemployment Rate (ILO)	4.9
Establishments Reporting HtFVs (%)	3.6
Establishments Reporting SSVs (%)	2.5

Note(s): *Data are for 2002 except [1] where data are for 2001.*
Source(s)*: CE and IER estimates based on various sources (see Annex A for details).*

London Central

Population (thousands)[1]	1,488
Population of Working Age (thousands)[1]	1,085
Minority Ethnic Groups (%)	
White	71.2
Black	14.7
Indian	2.2
Bangladeshi/Pakistani	3.0
Other/Mixed	8.8
Population Change: 1991-2001 (% pa)[1]	0.4
Population Density (persons per square km)[1]	9,287
Employment (thousands)	1,655
Change: 1992-2002 (% pa)	2.4
Change: 1997-2002 (% pa)	2.7
Employment in 10 Worst Performing UK Industries (%)	8.9
Employment in 10 Best Performing UK Industries (%)	63.2
Top Three Occupational Groups (% of Total Emp.)	
Associate Professional and Technical Occupations	19.9
Managers and Senior Officials	18.8
Professional Occupations	14.5
Workforce with NVQ4+ Qualifications (%)[1]	40.1
Workforce with no Qualifications (%)[1]	13.2
Average Gross Weekly Pay (£s)	564
Unemployment Rate (ILO)	5.1
Establishments Reporting HtFVs (%)	3.3
Establishments Reporting SSVs (%)	2.5

Note(s): *Data are for 2002 except [1] where data are for 2001.*
Source(s)*: CE and IER estimates based on various sources (see Annex A for details).*

London South

Population (thousands)[1]	1,317
Population of Working Age (thousands)[1]	880
Minority Ethnic Groups (%)	
White	82.6
Black	5.8
Indian	3.6
Bangladeshi/Pakistani	1.7
Other/Mixed	6.3
Population Change: 1991-2001 (% pa)[1]	0.5
Population Density (persons per square km)[1]	3,180
Employment (thousands)	575
Change: 1992-2002 (% pa)	0.4
Change: 1997-2002 (% pa)	1.5
Employment in 10 Worst Performing UK Industries (%)	9.8
Employment in 10 Best Performing UK Industries (%)	52.3
Top Three Occupational Groups (% of Total Emp.)	
Associate Professional and Technical Occupations	18.1
Managers and Senior Officials	17.3
Professional Occupations	13.5
Workforce with NVQ4+ Qualifications (%)[1]	29.2
Workforce with no Qualifications (%)[1]	11.0
Average Gross Weekly Pay (£s)	393
Unemployment Rate (ILO)	2.9
Establishments Reporting HtFVs (%)	4.8
Establishments Reporting SSVs (%)	3.1

Note(s): *Data are for 2002 except [1] where data are for 2001.*
Source(s): *CE and IER estimates based on various sources (see Annex A for details).*

South East

4.17 The South East region is the third-largest geographically in England, forming an arc around London, from Kent in the south east, to Hampshire in the south and Buckinghamshire in the north. It encompasses 19 counties and unitary authorities with seven cities with populations of over 100,000 and a total population of over eight million. The region represents an attractive environment with about 40 per cent of the land subject to some form of protective legislation. This is dampening growth prospects as transport congestion increases.

The South East is economically strong.

4.18 Economically the region is strong, providing 4.1 million jobs and accounting for 16 per cent of the UK's GVA. There are over 240,000 VAT-registered companies in an economy which is, in the main, advanced, high cost, high income, broadly based and service orientated. The region's relationship with London is critical to its success. London is a key market, a key provider of employment (20 per cent of London's workforce live in the South East), and a key provider of business services to the area. However, its proximity to London is thought to be responsible for the rising house prices; at 29 per cent it is well above the UK average of 20 per cent.

The South East has attracted many global companies as the 'gateway' region.

4.19 Proximity to mainland Europe is very important, and as the 'gateway' region the South East has attracted many global companies. Half the UK's 100 most strategically important international companies are based in the region. There are good national and international communications, with the region containing 24 per cent of the national motorway system; the UK's second busiest airport, Gatwick; and access to mainland Europe via the Channel Tunnel and ferry ports. Heathrow Airport, although in the London region, is immediately adjacent to the South East region and exerts a strong influence on it in terms of jobs and communications facilities.

4.20 The workforce is generally well educated, and the South East is the most prosperous region in England in terms of real household disposable income. But there are pockets of relative disadvantage particularly in the east (Kent), in the towns along the south coast, and The Isle of Wight. There are also problems with pressure of population and industry on the available land.

South East

Local LSCs: Berkshire; Milton Keynes, Oxfordshire and Buckinghamshire; Sussex; Hampshire and The Isle of Wight; Kent and Medway; Surrey.	
Population (thousands)[1]	8,007
Population of Working Age (thousands)[1]	5,202
Minority Ethnic Groups (%)	
White	95.1
Black	0.7
Indian	1.1
Bangladeshi/Pakistani	0.9
Other/Mixed	2.1
Population Change: 1990-2000 (% pa)[1]	0.5
Population Density (persons per square km)[1]	420
Employment (thousands)	4,179
Change: 1992-2002 (% pa)	1.5
Change: 1997-2002 (% pa)	1.7
Employment in 10 Worst Performing UK Industries (%)	15.8
Employment in 10 Best Performing UK Industries (%)	50.8
Top Three Occupational Groups (% of Total Emp.)	
Managers and Senior Officials	17.3
Associate Professional and Technical Occupations	14.8
Administrative and Secretarial Occupations	13.9
Workforce with NVQ4+ Qualifications (%)[1]	26.4
Workforce with no Qualifications (%)[1]	11.9
Average Gross Weekly Pay (£s)	412
Unemployment Rate (ILO)	4.0
Establishments Reporting HtFVs (%)	8.3
Establishments Reporting SSVs (%)	4.5

Note(s): *Data are for 2002 except [1] where data are for 2001.*
Source(s)*: CE and IER estimates based on various sources (see Annex A for details).*

South East local LSC areas

The region's proximity to London and concentration in the service industry has ensured strong employment growth.

4.21 The South East has some of the best-performing local LSC areas in terms of creating employment. Sussex; Milton Keynes, Oxfordshire and Buckinghamshire; Berkshire; and Surrey are all in the top 10 for employment growth for the period 1997 to 2002, with Berkshire ranked 1st. Hampshire and The Isle of Wight, on the other hand, ranks lower down at 25th. The success of most local LSC areas in creating employment is partly due to their relative specialisation in the best-performing industries in England, especially in service industries, which dominate the region. Much of the area has near full employment. Surrey; Milton Keynes, Oxfordshire and Buckinghamshire; and Berkshire rank in the top five for employment in the best-performing industries in England. Surrey, Sussex, and Berkshire also have the three lowest unemployment rates in England, with Hampshire and The Isle of Wight and Milton Keynes, Oxfordshire and Buckinghamshire in the lowest 10 local LSC unemployment rates.

4.22 In terms of unemployment, Kent and Medway is the worst-performing local LSC area in the South East. The differences between the ranks of local LSCs in the South East is largely due to the benefits that some local LSCs receive from being in close proximity to London, not only in terms of commuter employment, but also due to high-tech companies spreading westwards from the capital.

In terms of hard-to-fill vacancies and skill-shortage vacancies, performance in the South East is mixed.

4.23 In terms of HtFVs and SSVs, performance in the South East is mixed. Milton Keynes, Oxfordshire and Buckinghamshire, and Sussex rank the lowest in the region for both HtFVs and SSVs. The remaining local LSCs in the region rank higher, most noticeably Berkshire, which ranks 8th for HtFVs and 16th for SSVs. This reflects the changing demands on the workforce in this area.

The working population in the South East has above average levels of higher qualifications.

4.24 Those employed in the local LSC areas of the South East have the highest levels of qualifications in England. With over 30 per cent of the working age population achieving NVQ level 4 or above, Surrey; Milton Keynes, Oxfordshire and Buckinghamshire; and Berkshire local LSC areas are all in the top 10 local LSCs for qualifications at NVQ level 4 or above, with Surrey ranking 2nd in England for NVQ level 4 or above, and at 47th, the lowest in England, for no qualifications. Of the other three local LSC areas, only Kent and Medway has less than 20 per cent of the working age population with qualifications at NVQ level 4 or above. The South East local LSC areas are ranked in some of the lowest places in England for the percentage of the working age with no qualifications; all except Kent and Medway, ranked in the bottom 10 for England.

Berkshire

Population (thousands)[1]	800
Population of Working Age (thousands)[1]	543
Minority Ethnic Groups (%)	
White	88.7
Black	2.0
Indian	3.4
Bangladeshi/Pakistani	2.9
Other/Mixed	3.1
Population Change: 1991-2001 (% pa)[1]	0.6
Population Density (persons per square km)[1]	634
Employment (thousands)	505
Change: 1992-2002 (% pa)	2.1
Change: 1997-2002 (% pa)	2.9
Employment in 10 Worst Performing UK Industries (%)	14.1
Employment in 10 Best Performing UK Industries (%)	56.4
Top Three Occupational Groups (% of Total Emp.)	
Managers and Senior Officials	18.0
Associate Professional and Technical Occupations	14.9
Administrative and Secretarial Occupations	13.6
Workforce with NVQ4+ Qualifications (%)[1]	29.1
Workforce with no Qualifications (%)[1]	11.5
Average Gross Weekly Pay (£s)	487
Unemployment Rate (ILO)	1.7
Establishments Reporting HtFVs (%)	9.8
Establishments Reporting SSVs (%)	5.0

Note(s): *Data are for 2002 except [1] where data are for 2001.*
Source(s): *CE and IER estimates based on various sources (see Annex A for details).*

Milton Keynes, Oxfordshire and Buckinghamshire

Population (thousands)[1]	1,293
Population of Working Age (thousands)[1]	864
Minority Ethnic Groups (%)	
White	93.3
Black	1.3
Indian	1.0
Bangladeshi/Pakistani	1.8
Other/Mixed	2.6
Population Change: 1991-2001 (% pa)[1]	0.7
Population Density (persons per square km)[1]	288
Employment (thousands)	748
Change: 1992-2002 (% pa)	2.1
Change: 1997-2002 (% pa)	1.9
Employment in 10 Worst Performing UK Industries (%)	15.8
Employment in 10 Best Performing UK Industries (%)	52.9
Top Three Occupational Groups (% of Total Emp.)	
Managers and Senior Officials	17.6
Associate Professional and Technical Occupations	14.6
Administrative and Secretarial Occupations	13.6
Workforce with NVQ4+ Qualifications (%)[1]	28.4
Workforce with no Qualifications (%)[1]	11.5
Average Gross Weekly Pay (£s)	428
Unemployment Rate (ILO)	2.2
Establishments Reporting HtFVs (%)	7.0
Establishments Reporting SSVs (%)	4.4

Note(s): *Data are for 2002 except [1] where data are for 2001.*
Source(s)*: CE and IER estimates based on various sources (see Annex A for details).*

Sussex

Population (thousands)[1]	1,495
Population of Working Age (thousands)[1]	929
Minority Ethnic Groups (%)	
White	96.6
Black	0.4
Indian	0.6
Bangladeshi/Pakistani	0.5
Other/Mixed	1.9
Population Change: 1991-2001 (% pa)[1]	0.5
Population Density (persons per square km)[1]	395
Employment (thousands)	717
Change: 1992-2002 (% pa)	1.2
Change: 1997-2002 (% pa)	1.7
Employment in 10 Worst Performing UK Industries (%)	14.5
Employment in 10 Best Performing UK Industries (%)	49.3
Top Three Occupational Groups (% of Total Emp.)	
Managers and Senior Officials	17.0
Administrative and Secretarial Occupations	15.2
Associate Professional and Technical Occupations	15.1
Workforce with NVQ4+ Qualifications (%)[1]	25.6
Workforce with no Qualifications (%)[1]	12.4
Average Gross Weekly Pay (£s)	346
Unemployment Rate (ILO)	2.0
Establishments Reporting HtFVs (%)	7.4
Establishments Reporting SSVs (%)	4.1

Note(s): *Data are for 2002 except [1] where data are for 2001.*
Source(s): *CE and IER estimates based on various sources (see Annex A for details).*

Hampshire and The Isle of Wight

Population (thousands)[1]	1,778
Population of Working Age (thousands)[1]	1,159
Minority Ethnic Groups (%)	
White	96.9
Black	0.4
Indian	0.6
Bangladeshi/Pakistani	0.5
Other/Mixed	1.6
Population Change: 1991-2001 (% pa)[1]	0.5
Population Density (persons per square km)[1]	428
Employment (thousands)	906
Change: 1992-2002 (% pa)	1.1
Change: 1997-2002 (% pa)	0.9
Employment in 10 Worst Performing UK Industries (%)	17.6
Employment in 10 Best Performing UK Industries (%)	48.2
Top Three Occupational Groups (% of Total Emp.)	
Managers and Senior Officials	17.0
Associate Professional and Technical Occupations	14.6
Administrative and Secretarial Occupations	13.9
Workforce with NVQ4+ Qualifications (%)[1]	25.7
Workforce with no Qualifications (%)[1]	11.9
Average Gross Weekly Pay (£s)	370
Unemployment Rate (ILO)	2.2
Establishments Reporting HtFVs (%)	9.2
Establishments Reporting SSVs (%)	4.8

Note(s): *Data are for 2002 except [1] where data are for 2001.*
Source(s)*: CE and IER estimates based on various sources (see Annex A for details).*

Kent and Medway

Population (thousands)[1]	1,581
Population of Working Age (thousands)[1]	1,014
Minority Ethnic Groups (%)	
White	96.5
Black	0.4
Indian	1.1
Bangladeshi/Pakistani	0.3
Other/Mixed	1.7
Population Change: 1991-2001 (% pa)[1]	0.3
Population Density (persons per square km)[1]	423
Employment (thousands)	709
Change: 1992-2002 (% pa)	0.7
Change: 1997-2002 (% pa)	1.6
Employment in 10 Worst Performing UK Industries (%)	18.3
Employment in 10 Best Performing UK Industries (%)	44.5
Top Three Occupational Groups (% of Total Emp.)	
Managers and Senior Officials	16.6
Associate Professional and Technical Occupations	14.1
Administrative and Secretarial Occupations	13.4
Workforce with NVQ4+ Qualifications (%)[1]	19.8
Workforce with no Qualifications (%)[1]	14.6
Average Gross Weekly Pay (£s)	359
Unemployment Rate (ILO)	2.9
Establishments Reporting HtFVs (%)	8.4
Establishments Reporting SSVs (%)	4.3

Note(s): *Data are for 2002 except [1] where data are for 2001.*
Source(s): *CE and IER estimates based on various sources (see Annex A for details).*

Surrey

Population (thousands)[1]	1,059
Population of Working Age (thousands)[1]	693
Minority Ethnic Groups (%)	
White	95
Black	0.5
Indian	1.0
Bangladeshi/Pakistani	0.8
Other/Mixed	2.7
Population Change: 1991-2001 (% pa)[1]	0.3
Population Density (persons per square km)[1]	637
Employment (thousands)	594
Change: 1992-2002 (% pa)	1.9
Change: 1997-2002 (% pa)	1.8
Employment in 10 Worst Performing UK Industries (%)	13.0
Employment in 10 Best Performing UK Industries (%)	56.7
Top Three Occupational Groups (% of Total Emp.)	
Managers and Senior Officials	18.0
Associate Professional and Technical Occupations	15.6
Administrative and Secretarial Occupations	13.7
Workforce with NVQ4+ Qualifications (%)[1]	33.8
Workforce with no Qualifications (%)[1]	8.3
Average Gross Weekly Pay (£s)	493
Unemployment Rate (ILO)	1.7
Establishments Reporting HtFVs (%)	8.2
Establishments Reporting SSVs (%)	4.6

Note(s): *Data are for 2002 except [1] where data are for 2001.*
Source(s): *CE and IER estimates based on various sources (see Annex A for details).*

East of England

4.25 The East of England region contains nine counties and unitary authorities. There is significant diversity across the counties with Cambridgeshire one of the fastest growing of the counties in England, contrasting with the more remote coastal and rural areas to the north and the east. The region enjoys the highest GVA outside London and the South East, and contributes 11 per cent of the UK's GVA. It has a population of over 5.4 million spread across a large number of relatively small towns and cities, which are coming under increasing pressure due to strong population growth in the region.

There is significant diversity of employment occupations across the counties of the East of England.

4.26 Of the region's population just over 2.6 million are employed. The region has been one of the best-performing over the last few years and this favourable economic performance is set to continue. Although manufacturing employment has slowed, there is strong growth in electronics, pharmaceuticals and biotechnology in the region. Most of these industries are concentrated in the more urbanised area, with coastal and rural areas relying on tourism.

4.27 Higher education, and research and development facilities are important employers and contributors to the regional economy. The region has a strong research and development base with telemetric networks, innovation and the development of knowledge-based activities. Cambridge University is a key institution in this activity.

4.28 The strong educational performance at the higher level is matched by a much more patchy performance at lower levels. There is a marked split between the above regional and national achievement levels of central and south Cambridgeshire and the rest of the region, where there is a tailing off of qualification levels after a strong school performance.

There is a marked split between achievement levels of central and south Cambridgeshire and the rest of the region.

4.29 The strongest sectoral growth is expected in transport and communications and finance and business services. Manufacturing is also expected to see faster growth than the national average. Hertfordshire and Cambridgeshire are the strongest growth points. Essex, Bedfordshire and part of the Norfolk coast are expected to perform relatively poorly. There are good road and rail links with regions north and south but east-west routes are still problematic. The ports of Harwich and Felixstowe, the UK's largest container port, have grown in significance as gateways to Europe. Luton and Stansted airports also show strong growth, helped by their role as centres for low-cost airlines.

East of England

Local LSCs: Bedfordshire and Luton; Essex; Hertfordshire; Cambridgeshire; Norfolk; Suffolk.	
Population (thousands)[1]	5,395
Population of Working Age (thousands)[1]	3,490
Minority Ethnic Groups (%)	
White	95.1
Black	0.9
Indian	0.9
Bangladeshi/Pakistani	1.1
Other/Mixed	2.0
Population Change: 1990-2000 (% pa)[1]	0.6
Population Density (persons per square km)[1]	282
Employment (thousands)	2,614
Change: 1992-2002 (% pa)	1.2
Change: 1997-2002 (% pa)	1.2
Employment in 10 Worst Performing UK Industries (%)	16.3
Employment in 10 Best Performing UK Industries (%)	47.5
Top Three Occupational Groups (% of Total Emp.)	
Managers and Senior Officials	16.3
Associate Professional and Technical Occupations	13.6
Administrative and Secretarial Occupations	13.1
Workforce with NVQ4+ Qualifications (%)[1]	22.3
Workforce with no Qualifications (%)[1]	15.1
Average Gross Weekly Pay (£s)	374
Unemployment Rate (ILO)	3.5
Establishments Reporting HtFVs (%)	8.3
Establishments Reporting SSVs (%)	4.4

Note(s): *Data are for 2002 except [1] where data are for 2001.*
Source(s)*: CE and IER estimates based on various sources (see Annex A for details).*

East of England local LSC areas

Employment growth has been diverse in the East of England.

4.30 The performance of employment growth is diverse in the East of England. In the period 1997 to 2002, of the local LSC areas in the East of England only Hertfordshire and Suffolk are in the top 10 performers. Over the longer period 1992 to 2002, Cambridgeshire and Hertfordshire were in the top 10 performers in England, but other areas were at the lower half of the top 10. The performance is not only diverse between local LSC areas, but also between the time periods within the individual local LSC area. Between the periods 1992 to 2002 and 1997 to 2002, Cambridgeshire experienced a large fall of employment growth from 1.6 per cent to 0.4 per cent; this implies that the growth rate experienced in the early half of the 1990s could not be sustained. Three local LSC areas, (i) Hertfordshire, (ii) Bedfordshire and Luton and (iii) Cambridgeshire ranked fairly high in employment in the best-performing industries in the UK, at 8th, 10th and 11th place respectively.

Cambridgeshire has high levels of hard-to-fill vacancies and skill-shortage vacancies.

4.31 In terms of HtFVs and SSVs, the overall performance is mixed for the region. Only Cambridgeshire ranks in the top 10 for HtFVs and SSVs, at 2nd and 4th respectively. Norfolk ranks just outside the top 10 at 11th for HtFVs, but performs much better in SSVs, ranking the lowest in the region at 39th. For the other local LSCs in the East of England region Bedfordshire and Luton ranks in the bottom half, at 15th for SSVs. The rest of the region ranks in the lower half for both HtFVs and SSVs.

There is great variation in the number of qualifications at NVQ Level 4 or above.

4.32 There is great variation in the number of qualifications at NVQ level 4 or above. Whereas the Hertfordshire local LSC area is in the top 10 for the percentage of the working age population with qualifications at NVQ level 4 or above, Essex and Norfolk are in the bottom 10 in England. At lower levels, however, these areas are not ranked so low. Essex is ranked first for the highest qualification at NVQ level 2 and 10th in NVQ level 1. The only other top 10 appearances in any category of qualification is Norfolk in 4th for NVQ level 1 (see Table A2). There is therefore a sharp tailing off of qualifications achieved by the working age population in these local LSC areas.

Bedfordshire and Luton

Population (thousands)[1]	566
Population of Working Age (thousands)[1]	374
Minority Ethnic Groups (%)	
White	86.3
Black	2.9
Indian	2.7
Bangladeshi/Pakistani	5.2
Other/Mixed	2.8
Population Change: 1991-2001 (% pa)[1]	0.7
Population Density (persons per square km)[1]	458
Employment (thousands)	258
Change: 1992-2002 (% pa)	0.2
Change: 1997-2002 (% pa)	1.3
Employment in 10 Worst Performing UK Industries (%)	17.4
Employment in 10 Best Performing UK Industries (%)	50.2
Top Three Occupational Groups (% of Total Emp.)	
Managers and Senior Officials	16.4
Associate Professional and Technical Occupations	13.4
Skilled Trades Occupations	12.4
Workforce with NVQ4+ Qualifications (%)[1]	25.2
Workforce with no Qualifications (%)[1]	14.0
Average Gross Weekly Pay (£s)	376
Unemployment Rate (ILO)	2.5
Establishments Reporting HtFVs (%)	7.9
Establishments Reporting SSVs (%)	5.0

Note(s): *Data are for 2002 except [1] where data are for 2001.*
Source(s)*: CE and IER estimates based on various sources (see Annex A for details).*

Essex

Population (thousands)[1]	1,616
Population of Working Age (thousands)[1]	1,042
Minority Ethnic Groups (%)	
White	96.8
Black	0.6
Indian	0.6
Bangladeshi/Pakistani	0.3
Other/Mixed	1.7
Population Change: 1991-2001 (% pa)[1]	0.5
Population Density (persons per square km)[1]	440
Employment (thousands)	684
Change: 1992-2002 (% pa)	1.4
Change: 1997-2002 (% pa)	1.0
Employment in 10 Worst Performing UK Industries (%)	15.7
Employment in 10 Best Performing UK Industries (%)	45.9
Top Three Occupational Groups (% of Total Emp.)	
Managers and Senior Officials	16.3
Administrative and Secretarial Occupations	13.7
Associate Professional and Technical Occupations	13.4
Workforce with NVQ4+ Qualifications (%)[1]	18.0
Workforce with no Qualifications (%)[1]	17.7
Average Gross Weekly Pay (£s)	365
Unemployment Rate (ILO)	2.5
Establishments Reporting HtFVs (%)	7.7
Establishments Reporting SSVs (%)	4.1

Note(s): *Data are for 2002 except [1] where data are for 2001.*
Source(s)*: CE and IER estimates based on various sources (see Annex A for details).*

Hertfordshire

Population (thousands)[1]	1,035
Population of Working Age (thousands)[1]	676
Minority Ethnic Groups (%)	
White	93.7
Black	1.1
Indian	1.6
Bangladeshi/Pakistani	1.0
Other/Mixed	2.6
Population Change: 1991-2001 (% pa)[1]	0.5
Population Density (persons per square km)[1]	630
Employment (thousands)	586
Change: 1992-2002 (% pa)	1.8
Change: 1997-2002 (% pa)	2.1
Employment in 10 Worst Performing UK Industries (%)	13.0
Employment in 10 Best Performing UK Industries (%)	52.2
Top Three Occupational Groups (% of Total Emp.)	
Managers and Senior Officials	16.9
Associate Professional and Technical Occupations	13.9
Administrative and Secretarial Occupations	12.8
Workforce with NVQ4+ Qualifications (%)[1]	30.2
Workforce with no Qualifications (%)[1]	10.5
Average Gross Weekly Pay (£s)	423
Unemployment Rate (ILO)	2.1
Establishments Reporting HtFVs (%)	7.2
Establishments Reporting SSVs (%)	4.3

Note(s): *Data are for 2002 except [1] where data are for 2001.*
Source(s)*: CE and IER estimates based on various sources (see Annex A for details).*

Cambridgeshire

Population (thousands)[1]	710
Population of Working Age (thousands)[1]	473
Minority Ethnic Groups (%)	
White	94.6
Black	0.7
Indian	0.9
Bangladeshi/Pakistani	1.4
Other/Mixed	2.4
Population Change: 1991-2001 (% pa)[1]	0.7
Population Density (persons per square km)[1]	209
Employment (thousands)	387
Change: 1992-2002 (% pa)	1.6
Change: 1997-2002 (% pa)	0.4
Employment in 10 Worst Performing UK Industries (%)	18.3
Employment in 10 Best Performing UK Industries (%)	49.5
Top Three Occupational Groups (% of Total Emp.)	
Managers and Senior Officials	16.1
Associate Professional and Technical Occupations	14.4
Administrative and Secretarial Occupations	13.6
Workforce with NVQ4+ Qualifications (%)[1]	24.8
Workforce with no Qualifications (%)[1]	14.7
Average Gross Weekly Pay (£s)	399
Unemployment Rate (ILO)	2.1
Establishments Reporting HtFVs (%)	11.3
Establishments Reporting SSVs (%)	6.1

Note(s): *Data are for 2002 except [1] where data are for 2001.*
Source(s)*: CE and IER estimates based on various sources (see Annex A for details).*

Norfolk

Population (thousands)[1]	798
Population of Working Age (thousands)[1]	503
Minority Ethnic Groups (%)	
White	98.5
Black	0.2
Indian	0.2
Bangladeshi/Pakistani	0.1
Other/Mixed	1.0
Population Change: 1991-2001 (% pa)[1]	0.6
Population Density (persons per square km)[1]	149
Employment (thousands)	360
Change: 1992-2002 (% pa)	0.5
Change: 1997-2002 (% pa)	0.3
Employment in 10 Worst Performing UK Industries (%)	17.6
Employment in 10 Best Performing UK Industries (%)	40.1
Top Three Occupational Groups (% of Total Emp.)	
Managers and Senior Officials	15.7
Associate Professional and Technical Occupations	13.5
Administrative and Secretarial Occupations	12.4
Workforce with NVQ4+ Qualifications (%)[1]	17.1
Workforce with no Qualifications (%)[1]	15.7
Average Gross Weekly Pay (£s)	333
Unemployment Rate (ILO)	3.0
Establishments Reporting HtFVs (%)	9.5
Establishments Reporting SSVs (%)	3.6

Note(s): *Data are for 2002 except [1] where data are for 2001.*
Source(s)*: CE and IER estimates based on various sources (see Annex A for details).*

Suffolk

Population (thousands)[1]	669
Population of Working Age (thousands)[1]	422
Minority Ethnic Groups (%)	
White	97.2
Black	0.6
Indian	0.2
Bangladeshi/Pakistani	0.3
Other/Mixed	1.6
Population Change: 1991-2001 (% pa)[1]	0.3
Population Density (persons per square km)[1]	176
Employment (thousands)	340
Change: 1992-2002 (% pa)	1.1
Change: 1997-2002 (% pa)	1.7
Employment in 10 Worst Performing UK Industries (%)	18.3
Employment in 10 Best Performing UK Industries (%)	46.0
Top Three Occupational Groups (% of Total Emp.)	
Managers and Senior Officials	15.7
Administrative and Secretarial Occupations	13.4
Associate Professional and Technical Occupations	12.9
Workforce with NVQ4+ Qualifications (%)[1]	20.7
Workforce with no Qualifications (%)[1]	16.7
Average Gross Weekly Pay (£s)	326
Unemployment Rate (ILO)	2.7
Establishments Reporting HtFVs (%)	7.6
Establishments Reporting SSVs (%)	4.0

Note(s): *Data are for 2002 except [1] where data are for 2001.*
Source(s)*: CE and IER estimates based on various sources (see Annex A for details).*

South West

4.33 Geographically the South West is the largest of the English regions, spreading from Bristol in the north and Bournemouth in the south and through to Cornwall and the Isles of Scilly in the south west. The South West has a population of over 4.9 million, but as one of the most rural regions of England, it has a population density below UK average. Agricultural employment continues to decline, employing only 2.6 per cent of the workforce. The environmental assets, which include attractive coast and moorland (and cultural centres including the city of Bath), are being harnessed for tourism. The region attracts more tourist spending than any other region apart from London.

Tourism is a key industry for the South West.

4.34 A number of dynamic urban centres contribute to the region's economic performance, principally Bristol, Plymouth, Swindon, Bath, Bournemouth, Poole, Torbay, Exeter, Gloucester and Cheltenham. Economic performance is uneven, however, with the eastern part contributing most to regional economic performance and regions to the west contributing less; Devon and Cornwall are mainly lagging behind. Despite the unevenness of growth, the region as a whole has experienced rapid GVA growth of 2.5 per cent per annum over 1997 to 2002. The region's GVA now accounts for 7.6 per cent of the national total. High-tech manufacturing, knowledge industries, food and drink, health, welfare and education, and tourism are all important sectors. However, the average earnings of services is 10 per cent below the national average, reflecting the higher than average share of employment in distribution, hotels and catering, and Government.

A number of dynamic urban centres contribute to the region's economic performance.

4.35 The population has been added to by those seeking retirement locations but also by those of workforce age seeking to take up the region's employment opportunities. Over a third of the workforce works in the highest skill level occupations, due mainly to the high-growth, high-tech, high value-added sectors in the north and east of the region.

Over a third of the workforce works in the highest skill level occupations in the north and east of the region.

4.36 Important problem issues for the region include the large number of low value-added industries, lower overall levels of business investment than the national average, and skills shortages in technical and IT areas. Some sub-regions lag behind in educational and training attainment. Skills shortages and recruitment problems are having an effect on workforce expansion, domestic and export orders, productivity, turnover and profitability.

Skill shortages and recruitment problems are having an effect on the region's performance.

South West

Local LSCs: West of England; Devon and Cornwall; Bournemouth, Dorset and Poole; Gloucestershire; Somerset; Wiltshire and Swindon.	
Population (thousands)[1]	4934
Population of Working Age (thousands)[1]	3136
Minority Ethnic Groups (%)	
White	97.7
Black	0.4
Indian	0.3
Bangladeshi/Pakistani	0.2
Other/Mixed	1.3
Population Change: 1990-2000 (% pa)[1]	0.5
Population Density (persons per square km)[1]	207
Employment (thousands)	2470
Change: 1992-2002 (% pa)	1.3
Change: 1997-2002 (% pa)	1.2
Employment in 10 Worst Performing UK Industries (%)	18.5
Employment in 10 Best Performing UK Industries (%)	44.6
Top Three Occupational Groups (% of Total Emp.)	
Managers and Senior Officials	14.6
Associate Professional and Technical Occupations	12.8
Skilled Trades Occupations	12.7
Workforce with NVQ4+ Qualifications (%)[1]	24.7
Workforce with no Qualifications (%)[1]	11.8
Average Gross Weekly Pay (£s)	343
Unemployment Rate (ILO)	3.6
Establishments Reporting HtFVs (%)	10.0
Establishments Reporting SSVs (%)	4.6

Note(s): *Data are for 2002 except [1] where data are for 2001.*
Source(s): *CE and IER estimates based on various sources (see Annex A for details).*

South West local LSC areas

4.37 In terms of employment growth only Wiltshire and Swindon has experienced employment growth in the top 10 over both 1992 to 2002 and 1997 to 2002 periods, for which the local LSC areas rank 2nd and 4th respectively. Employment growth for the rest of the local LSC areas of the South West rank between 12th and 29th. Only West of England, and Wiltshire and Swindon rank in the top 20 for employment in the 10 best-performing industries in England. Gloucestershire, on the other hand, ranks in the top 10 for employment in the worst-performing industries. In terms of unemployment, all South West local LSCs have levels ranked in the lower half for England.

The performance of employment growth is diverse in the South West.

4.38 The South West has the worst performance in England for HtFVs. Devon and Cornwall; Gloucestershire; Bournemouth, Dorset and Poole; and Wiltshire and Swindon all rank in the top 10 for HtFVs, at 3rd, 4th, 6th and 7th place respectively. The best performance is in the West of England, which ranks 21st, with 8.3 per cent of employers reporting HtFVs. In terms of SSVs, only Gloucestershire ranks in the top 10, with 5.8 per cent of employers reporting vacancies. Despite being in the top 10 for HtFVs, Wiltshire and Swindon ranks 32nd in SSVs. The strongest performance of the South West in this category is Somerset, which ranks in 44th place in England, with only 2.8 per cent of employers reporting SSVs.

The South West has the worst performance in England for hard-to-fill vacancies and skill-shortage vacancies.

4.39 In the South West region only the West of England ranks in the top 10 for qualifications at NVQ level 4 or above, in 5th place. Other South West local LSC scores are varied on this measure, ranking between 11th and 24th. Overall, the working age population in the South West is well qualified. West of England, Somerset and Gloucestershire all rank in the top 10 for NVQ level 3. However, the more remote local LSCs in the South West tend to see qualification levels tailing off sooner and have a higher percentage of the working age population with qualification NVQ levels 1 and NVQ level 2. Wiltshire and Swindon is ranked 1st for NVQ level 1, while for qualification NVQ level 2, both Bournemouth, Dorset and Poole and Devon and Cornwall rank in the top 10, at 4th and 3rd place respectively. The South West has the best overall performance in England for the working age population with no qualification levels, with all local LSC areas below 13 per cent.

The South West has a high level of the working population at lower levels of qualification.

West of England

Population (thousands)[1]	985
Population of Working Age (thousands)[1]	648
Minority Ethnic Groups (%)	
White	95.5
Black	1.1
Indian	0.7
Bangladeshi/Pakistani	0.6
Other/Mixed	2.1
Population Change: 1991-2001 (% pa)[1]	0.3
Population Density (persons per square km)[1]	741
Employment (thousands)	577
Change: 1992-2002 (% pa)	1.3
Change: 1997-2002 (% pa)	1.6
Employment in 10 Worst Performing UK Industries (%)	15.9
Employment in 10 Best Performing UK Industries (%)	46.4
Top Three Occupational Groups (% of Total Emp.)	
Managers and Senior Officials	14.7
Associate Professional and Technical Occupations	13.3
Administrative and Secretarial Occupations	13.1
Workforce with NVQ4+ Qualifications (%)[1]	29.6
Workforce with no Qualifications (%)[1]	10.3
Average Gross Weekly Pay (£s)	372
Unemployment Rate (ILO)	2.1
Establishments Reporting HtFVs (%)	8.3
Establishments Reporting SSVs (%)	3.8

Note(s): *Data are for 2002 except [1] where data are for 2001.*
Source(s): *CE and IER estimates based on various sources (see Annex A for details).*

Devon and Cornwall

Population (thousands)[1]	1,579
Population of Working Age (thousands)[1]	991
Minority Ethnic Groups (%)	
White	98.8
Black	0.1
Indian	0.1
Bangladeshi/Pakistani	0.1
Other/Mixed	0.9
Population Change: 1991-2001 (% pa)[1]	0.5
Population Density (persons per square km)[1]	153
Employment (thousands)	705
Change: 1992-2002 (% pa)	0.8
Change: 1997-2002 (% pa)	0.5
Employment in 10 Worst Performing UK Industries (%)	18.5
Employment in 10 Best Performing UK Industries (%)	44.0
Top Three Occupational Groups (% of Total Emp.)	
Managers and Senior Officials	14.4
Associate Professional and Technical Occupations	13.0
Skilled Trades Occupations	12.7
Workforce with NVQ4+ Qualifications (%)[1]	16.5
Workforce with no Qualifications (%)[1]	28.0
Average Gross Weekly Pay (£s)	297
Unemployment Rate (ILO)	2.9
Establishments Reporting HtFVs (%)	11.2
Establishments Reporting SSVs (%)	5.4

Note(s): *Data are for 2002 except [1] where data are for 2001.*
Source(s): *CE and IER estimates based on various sources (see Annex A for details).*

Bournemouth, Dorset and Poole

Population (thousands)[1]	693
Population of Working Age (thousands)[1]	425
Minority Ethnic Groups (%)	
White	98.1
Black	0.2
Indian	0.2
Bangladeshi/Pakistani	0.1
Other/Mixed	1.3
Population Change: 1991-2001 (% pa)[1]	0.5
Population Density (persons per square km)[1]	261
Employment (thousands)	320
Change: 1992-2002 (% pa)	1.4
Change: 1997-2002 (% pa)	1.1
Employment in 10 Worst Performing UK Industries (%)	16.8
Employment in 10 Best Performing UK Industries (%)	43.7
Top Three Occupational Groups (% of Total Emp.)	
Managers and Senior Officials	14.9
Administrative and Secretarial Occupations	13.4
Associate Professional and Technical Occupations	12.7
Workforce with NVQ4+ Qualifications (%)[1]	22.3
Workforce with no Qualifications (%)[1]	12.2
Average Gross Weekly Pay (£s)	334
Unemployment Rate (ILO)	2.2
Establishments Reporting HtFVs (%)	9.9
Establishments Reporting SSVs (%)	5.0

Note(s): *Data are for 2002 except [1] where data are for 2001.*
Source(s)*: CE and IER estimates based on various sources (see Annex A for details).*

Gloucestershire

Population (thousands)[1]	565
Population of Working Age (thousands)[1]	363
Minority Ethnic Groups (%)	
White	97.2
Black	0.6
Indian	0.7
Bangladeshi/Pakistani	0.2
Other/Mixed	1.4
Population Change: 1991-2001 (% pa)[1]	0.5
Population Density (persons per square km)[1]	213
Employment (thousands)	291
Change: 1992-2002 (% pa)	1.3
Change: 1997-2002 (% pa)	1.1
Employment in 10 Worst Performing UK Industries (%)	23.4
Employment in 10 Best Performing UK Industries (%)	41.8
Top Three Occupational Groups (% of Total Emp.)	
Managers and Senior Officials	14.5
Elementary Occupations	14.0
Skilled Trades Occupations	12.9
Workforce with NVQ4+ Qualifications (%)[1]	27.0
Workforce with no Qualifications (%)1	12.3
Average Gross Weekly Pay (£s)	372
Unemployment Rate (ILO)	2.6
Establishments Reporting HtFVs (%)	10.9
Establishments Reporting SSVs (%)	5.8

Note(s): *Data are for 2002 except [1] where data are for 2001.*
Source(s)*: CE and IER estimates based on various sources (see Annex A for details).*

Somerset

Population (thousands)[1]	499
Population of Working Age (thousands)[1]	312
Minority Ethnic Groups (%)	
White	98.8
Black	0.1
Indian	0.1
Bangladeshi/Pakistani	0.1
Other/Mixed	0.8
Population Change: 1991-2001 (% pa)[1]	0.7
Population Density (persons per square km)[1]	145
Employment (thousands)	227
Change: 1992-2002 (% pa)	0.9
Change: 1997-2002 (% pa)	0.9
Employment in 10 Worst Performing UK Industries (%)	19.4
Employment in 10 Best Performing UK Industries (%)	42.0
Top Three Occupational Groups (% of Total Emp.)	
Managers and Senior Officials	14.4
Elementary Occupations	12.7
Skilled Trades Occupations	12.4
Workforce with NVQ4+ Qualifications (%)[1]	24.0
Workforce with no Qualifications (%)[1]	12.5
Average Gross Weekly Pay (£s)	325
Unemployment Rate (ILO)	2.5
Establishments Reporting HtFVs (%)	9.3
Establishments Reporting SSVs (%)	2.8

Note(s): *Data are for 2002 except [1] where data are for 2001.*
Source(s)*: CE and IER estimates based on various sources (see Annex A for details).*

Wiltshire and Swindon

Population (thousands)[1]	614
Population of Working Age (thousands)[1]	399
Minority Ethnic Groups (%)	
White	97.5
Black	0.4
Indian	0.5
Bangladeshi/Pakistani	0.2
Other/Mixed	1.4
Population Change: 1991-2001 (% pa)[1]	0.7
Population Density (persons per square km)[1]	176
Employment (thousands)	349
Change: 1992-2002 (% pa)	2.2
Change: 1997-2002 (% pa)	2.5
Employment in 10 Worst Performing UK Industries (%)	19.8
Employment in 10 Best Performing UK Industries (%)	47.4
Top Three Occupational Groups (% of Total Emp.)	
Managers and Senior Officials	14.8
Elementary Occupations	13.3
Skilled Trades Occupations	12.8
Workforce with NVQ4+ Qualifications (%)[1]	25.2
Workforce with no Qualifications (%)[1]	10.3
Average Gross Weekly Pay (£s)	379
Unemployment Rate (ILO)	2.3
Establishments Reporting HtFVs (%)	9.9
Establishments Reporting SSVs (%)	4.1

Note(s): *Data are for 2002 except [1] where data are for 2001.*
Source(s)*: CE and IER estimates based on various sources (see Annex A for details).*

West Midlands

The West Midlands is a diverse region, with large tracts of agricultural land as well as large urban industrial conurbations.

4.40 The West Midlands comprises the counties of Herefordshire, Worcestershire, Shropshire, Staffordshire and Warwickshire, the unitary authorities of the City of Stoke on Trent, and Telford and Wrekin, as well as the seven metropolitan boroughs of Birmingham, Coventry, Dudley, Sandwell, Solihull, Walsall, and Wolverhampton. This makes for a diverse region, with large tracts of agricultural as well as large urban industrial conurbations. The region's central location makes it well positioned for transport connections with the rest of the UK. The ports of Dover, Felixstowe and Hull are less than 4.5 hours away and 75 per cent of the UK population is within half a day's drive.

4.41 The workforce of just over 2.5 million is employed across a huge range of activities, the main sectors being automotive, plastics and rubber, software, food and drink, electronics and telecommunications, and business services. Motor vehicles and other transport equipment represent 19 per cent of the region's industry in terms of value, although this will decline with the run down of Rover. Land Rover, Jaguar and Peugeot remain in the region with Toyota and Honda nearby. Universities, particularly Aston and Warwick, provide strong support for industry along with specialist research centres offering industrial support on a Europe-wide scale.

The service sector is growing strongly in the West Midlands.

4.42 Service output is growing strongly. The region is the largest financial and business services centre outside London, with GVA growing by 5.5 per cent per annum over 1995-2000, and representing 17 per cent of total GVA in the West Midlands. Tourism is also a growing sector, trading largely on the region's industrial heritage, its Shakespeare industry at Stratford and its attractive countryside with many towns and villages of historical interest.

Manufacturing is a key industry in the West Midlands, but is in recession.

4.43 While the economic and social profile of the region is generally positive, the GVA per head is below the national average. Manufacturing, which accounts for more than 25 per cent of total GVA in the region, is in recession. There are also problems with overall school performance, which threatens the region's tradition of a skilled workforce, and unemployment rates are above the national average. Transport links need to improve to reduce congestion, to improve north-south access and access to Europe. The completion of the West Coast line has been set back from 2005 to 2008.

West Midlands

Local LSCs: Herefordshire and Worcestershire; Shropshire; Staffordshire; Coventry and Warwickshire; The Black Country; Birmingham and Solihull.	
Population (thousands)[1]	5,267
Population of Working Age (thousands)[1]	3,401
Minority Ethnic Groups (%)	
White	88.7
Black	2.0
Indian	3.4
Bangladeshi/Pakistani	3.5
Other/Mixed	2.4
Population Change: 1990-2000 (% pa)[1]	0.1
Population Density (persons per square km)[1]	405
Employment (thousands)	2,554
Change: 1992-2002 (% pa)	0.7
Change: 1997-2002 (% pa)	0.3
Employment in 10 Worst Performing UK Industries (%)	21.0
Employment in 10 Best Performing UK Industries (%)	44.7
Top Three Occupational Groups (% of Total Emp.)	
Managers and Senior Officials	13.1
Skilled Trades Occupations	13.1
Administrative and Secretarial Occupations	12.9
Workforce with NVQ4+ Qualifications (%)[1]	19.5
Workforce with no Qualifications (%)[1]	18.3
Average Gross Weekly Pay (£s)	356
Unemployment Rate (ILO)	5.5
Establishments Reporting HtFVs (%)	6.9
Establishments Reporting SSVs (%)	3.8

Note(s): *Data are for 2002 except [1] where data are for 2001.*
Source(s)*: CE and IER estimates based on various sources (see Annex A for details).*

West Midlands local LSC areas

Employment growth in the region's local LSC areas has generally been poor, but the local LSC areas have performed quite differently.

4.44 Employment growth in the region's local LSC areas has generally been poor, but the local LSC areas have performed quite differently. In the Black Country employment growth was worst in the region for both 1992 to 2002 and 1997 to 2002 periods; this was closely followed by Birmingham and Solihull. The ranking for these two local LSCs was similar in the two periods, but for the rest of the West Midlands region employment growth was lower in the period 1997 to 2002, than in 1992 to 2002.

4.45 The generally poor performance of the local LSC areas reflects the fact that most of them rank in the top 10 for manufacturing employment, with Coventry and Warwickshire ranking 1st on this measure. Also, the West Midlands' local LSCs are generally specialised in the 10 worst-performing industries in England. But Birmingham and Solihull stands out for its weak employment growth despite the fact that it has the highest proportion of employment in the 10 best-performing industries and it has the lowest dependence on manufacturing in the West Midlands region. The Black Country and Birmingham and Solihull also have the worst unemployment in the region, whereas the other local LSC areas are around the UK average.

4.46 Generally, employers in the West Midlands report a low number of HtFVs and SSVs compared to the rest of England, particularly the Black Country, Staffordshire, and Birmingham and Solihull, which rank in the lowest 10 places for HtFVs in England. The Black Country, Birmingham and Solihull, and Coventry and Warwickshire also rank in the lowest 10 for SSVs. Of the other local LSC areas in the region only Staffordshire employers report a high number of SSVs, ranking 3rd in England.

The West Midlands ranks high for the percentage of the working age without qualifications.

4.47 At almost 24 per cent of the working age population without qualifications, Birmingham and Solihull ranks first in England for this measure. The Black Country ranks 2nd for this category, indicating that there is a high percentage of the working age population in the West Midlands with no qualification levels. The Black Country also has the smallest percentage of the working age population with qualifications at NVQ level 4 or above, ranking last in England. The best qualified populations in the region are in Herefordshire and Worcestershire and Coventry and Warwickshire, ranking the highest in the region for the number of the working age population with a qualification at NVQ level 4 or above, at 17th and 19th place respectively. Herefordshire and Worcestershire also ranks in the top 10 for qualification NVQ level 3 and NVQ level 2.

Herefordshire and Worcestershire

Population (thousands)[1]	717
Population of Working Age (thousands)[1]	464
Minority Ethnic Groups (%)	
White	97.9
Black	0.3
Indian	0.3
Bangladeshi/Pakistani	0.6
Other/Mixed	1.0
Population Change: 1991-2001 (% pa)[1]	0.6
Population Density (persons per square km)[1]	182
Employment (thousands)	339
Change: 1992-2002 (% pa)	1.1
Change: 1997-2002 (% pa)	0.5
Employment in 10 Worst Performing UK Industries (%)	22.5
Employment in 10 Best Performing UK Industries (%)	43.0
Top Three Occupational Groups (% of Total Emp.)	
Skilled Trades Occupations	13.1
Managers and Senior Officials	13.0
Elementary Occupations	12.8
Workforce with NVQ4+ Qualifications (%)[1]	25.2
Workforce with no Qualifications (%)[1]	13.5
Average Gross Weekly Pay (£s)	308
Unemployment Rate (ILO)	2.8
Establishments Reporting HtFVs (%)	8.6
Establishments Reporting SSVs (%)	4.3

Note(s): *Data are for 2002 except [1] where data are for 2001.*
Source(s): *CE and IER estimates based on various sources (see Annex A for details).*

Shropshire

Population (thousands)[1]	442
Population of Working Age (thousands)[1]	287
Minority Ethnic Groups (%)	
White	98.8
Black	0.1
Indian	0.2
Bangladeshi/Pakistani	0.1
Other/Mixed	0.8
Population Change: 1991-2001 (% pa)[1]	0.8
Population Density (persons per square km)[1]	81
Employment (thousands)	202
Change: 1992-2002 (% pa)	1.2
Change: 1997-2002 (% pa)	0.6
Employment in 10 Worst Performing UK Industries (%)	22.9
Employment in 10 Best Performing UK Industries (%)	40.3
Top Three Occupational Groups (% of Total Emp.)	
Administrative and Secretarial Occupations	13.2
Managers and Senior Officials	13.0
Skilled Trades Occupations	12.6
Workforce with NVQ4+ Qualifications (%)[1]	23.8
Workforce with no Qualifications (%)[1]	14.5
Average Gross Weekly Pay (£s)	324
Unemployment Rate (ILO)	2.4
Establishments Reporting HtFVs (%)	8.5
Establishments Reporting SSVs (%)	6.5

Note(s): *Data are for 2002 except [1] where data are for 2001.*
Source(s)*: CE and IER estimates based on various sources (see Annex A for details).*

Staffordshire

Population (thousands)[1]	1,048
Population of Working Age (thousands)[1]	689
Minority Ethnic Groups (%)	
White	96.7
Black	0.4
Indian	0.6
Bangladeshi/Pakistani	1.1
Other/Mixed	1.2
Population Change: 1991-2001 (% pa)[1]	0.1
Population Density (persons per square km)[1]	444
Employment (thousands)	463
Change: 1992-2002 (% pa)	0.9
Change: 1997-2002 (% pa)	0.3
Employment in 10 Worst Performing UK Industries (%)	25.2
Employment in 10 Best Performing UK Industries (%)	42.0
Top Three Occupational Groups (% of Total Emp.)	
Skilled Trades Occupations	13.6
Managers and Senior Officials	12.9
Elementary Occupations	12.6
Workforce with NVQ4+ Qualifications (%)[1]	19.5
Workforce with no Qualifications (%)[1]	18.3
Average Gross Weekly Pay (£s)	330
Unemployment Rate (ILO)	2.8
Establishments Reporting HtFVs (%)	6.0
Establishments Reporting SSVs (%)	3.8

Note(s): *Data are for 2002 except [1] where data are for 2001.*
Source(s)*: CE and IER estimates based on various sources (see Annex A for details).*

Coventry and Warwickshire

Population (thousands)[1]	807
Population of Working Age (thousands)[1]	527
Minority Ethnic Groups (%)	
White	91.3
Black	0.9
Indian	4.5
Bangladeshi/Pakistani	1.1
Other/Mixed	2.2
Population Change: 1991-2001 (% pa)[1]	0.2
Population Density (persons per square km)[1]	389
Employment (thousands)	252
Change: 1992-2002 (% pa)	0.8
Change: 1997-2002 (% pa)	-0.6
Employment in 10 Worst Performing UK Industries (%)	17.9
Employment in 10 Best Performing UK Industries (%)	48.8
Top Three Occupational Groups (% of Total Emp.)	
Skilled Trades Occupations	14.1
Managers and Senior Officials	13.8
Elementary Occupations	13.1
Workforce with NVQ4+ Qualifications (%)[1]	24.3
Workforce with no Qualifications (%)[1]	18.1
Average Gross Weekly Pay (£s)	400
Unemployment Rate (ILO)	3.4
Establishments Reporting HtFVs (%)	8.2
Establishments Reporting SSVs (%)	3.2

Note(s): *Data are for 2002 except [1] where data are for 2001.*
Source(s): *CE and IER estimates based on various sources (see Annex A for details).*

The Black Country

Population (thousands)[1]	1,078
Population of Working Age (thousands)[1]	687
Minority Ethnic Groups (%)	
White	84.8
Black	2.6
Indian	6.8
Bangladeshi/Pakistani	3.1
Other/Mixed	2.7
Population Change: 1991-2001 (% pa)[1]	-0.3
Population Density (persons per square km)[1]	3,020
Employment (thousands)	664
Change: 1992-2002 (% pa)	0.4
Change: 1997-2002 (% pa)	0.2
Employment in 10 Worst Performing UK Industries (%)	23.5
Employment in 10 Best Performing UK Industries (%)	43.3
Top Three Occupational Groups (% of Total Emp.)	
Skilled Trades Occupations	13.9
Managers and Senior Officials	13.1
Administrative and Secretarial Occupations	12.5
Workforce with NVQ4+ Qualifications (%)[1]	16.5
Workforce with no Qualifications (%)[1]	23.4
Average Gross Weekly Pay (£s)	333
Unemployment Rate (ILO)	4.8
Establishments Reporting HtFVs (%)	5.4
Establishments Reporting SSVs (%)	3.7

Note(s): *Data are for 2002 except [1] where data are for 2001.*
Source(s)*: CE and IER estimates based on various sources (see Annex A for details).*

Birmingham and Solihull

Population (thousands)[1]	1,176
Population of Working Age (thousands)[1]	747
Minority Ethnic Groups (%)	
White	74.5
Black	5.2
Indian	5.0
Bangladeshi/Pakistani	10.7
Other/Mixed	4.5
Population Change: 1991-2001 (% pa)[1]	-0.2
Population Density (persons per square km)[1]	2,638
Employment (thousands)	634
Change: 1992-2002 (% pa)	0.4
Change: 1997-2002 (% pa)	0.4
Employment in 10 Worst Performing UK Industries (%)	15.0
Employment in 10 Best Performing UK Industries (%)	48.8
Top Three Occupational Groups (% of Total Emp.)	
Administrative and Secretarial Occupations	14.1
Associate Professional and Technical Occupations	13.8
Managers and Senior Officials	13.0
Workforce with NVQ4+ Qualifications (%)[1]	18.2
Workforce with no Qualifications (%)[1]	23.8
Average Gross Weekly Pay (£s)	388
Unemployment Rate (ILO)	5.2
Establishments Reporting HtFVs (%)	6.0
Establishments Reporting SSVs (%)	3.0

Note(s): *Data are for 2002 except [1] where data are for 2001.*
Source(s): *CE and IER estimates based on various sources (see Annex A for details).*

East Midlands

4.48 The region comprises the five counties of Derbyshire, Leicestershire, Lincolnshire, Northamptonshire and Nottinghamshire and the unitary authorities of the cities of Derby, Leicester and Nottingham. It has a population of nearly 4.2 million in what is geographically the third-largest region in England. The geographical size of the region and the diverse urban/industrial and rural spread make great demands on systems and services.

The diverse urban/industrial and rural spread makes great demands on systems and services.

4.49 North Nottinghamshire and North East Derbyshire have had to come to terms with huge job losses in coal mining which have been largely in the rural areas. The cities of Nottingham, Leicester and Derby are still relatively dependent on manufacturing, particularly engineering, and have ongoing problems of urban deprivation. Northamptonshire, with its close links to the South East, is the most prosperous county in the region. Along the Lincolnshire coastline, tourism is a key employer, which causes seasonal unemployment in the area.

4.50 GVA growth for the East Midlands as a whole slowed in 2002 to around 1.3 per cent, in line with the national average. Manufacturing output in the region, which represents 26 per cent of total GVA, contracted further, by 3.5 per cent. Growth in services, 58 per cent of total regional GVA (lower than the UK average of 70 per cent), fell back in 2002 with slower growth in consumer services, the strongest area of growth in the region. Construction remains strong, as the large number of infrastructure projects, particularly in Nottinghamshire and Leicester, continue to support the sector.

Key industries in the region have seen a slow down in growth.

4.51 Transport communications vary, with good north-south access provided by the M1 and the A1, while east-west access is relatively poor. Poor transport networks in Lincolnshire inhibit economic development, but the dual carriageway on the A46 between Lincoln and the A1 trunk at Newark will provide better access to the rest of the Midlands. But the upgrade of the East Coast main line is now in doubt; this would have also been of great benefit to Lincoln. Some 6 million people live within one hour of East Midlands Airport, which is conveniently situated in the centre of the Nottingham, Leicester, and Derby triangle. It is hoped that the expansion of low-cost flights from the airport will promote stronger growth in the region. There are also excellent rail links for these cities, particularly with London.

Transport networks in the region are mixed, causing diversities in economic activity.

4.52 The region has high participation in further education at 62 per cent. The expansion of Nottingham's universities has been of great advantage, stimulating strong growth in distribution, hotels and catering, and many bars and night-clubs. But the region suffers from a relatively low skill base and the lowest incidence of job-related training in England. Productivity levels are also behind other regions in England except for the West Midlands.

East Midlands

Local LSCs: Derbyshire; Leicestershire; Lincolnshire and Rutland; Northamptonshire; Nottinghamshire.	
Population (thousands)[1]	4,175
Population of Working Age (thousands)[1]	2,720
Minority Ethnic Groups (%)	
White	93.5
Black	0.9
Indian	2.9
Bangladeshi/Pakistani	0.8
Other/Mixed	1.8
Population Change: 1990-2000 (% pa)[1]	0.4
Population Density (persons per square km)[1]	268
Employment (thousands)	1,972
Change: 1992-2002 (% pa)	0.7
Change: 1997-2002 (% pa)	0.2
Employment in 10 Worst Performing UK Industries (%)	21.0
Employment in 10 Best Performing UK Industries (%)	43.3
Top Three Occupational Groups (% of Total Emp.)	
Managers and Senior Officials	14.3
Elementary Occupations	12.3
Skilled Trades Occupations	12.1
Workforce with NVQ4+ Qualifications (%)[1]	20.4
Workforce with no Qualifications (%)[1]	19.8
Average Gross Weekly Pay (£s)	344
Unemployment Rate (ILO)	4.2
Establishments Reporting HtFVs (%)	9.3
Establishments Reporting SSVs (%)	5.9

Note(s): *Data are for 2002 except [1] where data are for 2001.*
Source(s)*: CE and IER estimates based on various sources (see Annex A for details).*

East Midlands local LSC areas

The East Midlands has low levels of employment growth.

4.53 Employment growth in the East Midlands has generally been poor. Only Northamptonshire is ranked in the top 10 for employment growth over 1992 to 2002 but fell to 29th for the period 1997 to 2002. Northamptonshire benefits from its proximity to London and the South East, experiencing a strong growth in services. Other local LSC areas of the East Midlands are in the bottom 10 for employment growth for 1997 to 2002, except for Derbyshire, which was the only local LSC from the East Midlands to experience improvement between the two periods. The low employment growth is hardly surprising since Leicestershire, and Lincolnshire and Rutland rank 2nd and 10th for employment in the worst-performing industries in the UK; other areas rank between 15th and 31st. In terms of employment in manufacturing, Derbyshire and Leicestershire rank 2nd and 3rd in England. Derbyshire and Nottinghamshire still suffer the effects of pit closures, during which 7,000 jobs were lost. Little progress has been made in the regeneration of former mining areas, and this contributes to the high unemployment rates in these local LSCs; the highest in the East Midlands.

4.54 Employers in the East Midlands report many HtFVs and SSVs. Both Nottinghamshire and Leicestershire rank in the top 10 for HtFVs and SSVs. In Nottinghamshire 10.2 per cent of employers report HtFVs, while 6.1 per cent report SSVs. With 7.6 per cent of employers reporting SSVs, Leicestershire ranks 1st in England for SSVs.

The East Midlands is below the England average for levels of qualification in the working age population.

4.55 The East Midlands local LSC areas do not rank well for the working age population with a qualification at NVQ level 4 or above, ranking between 29th and 42nd. The East Midlands local LSCs are all in the top 25 of the working age population with no qualifications, although only Nottinghamshire is in the top 10. Employees' qualifications tend to be at NVQ level 1, especially in Derbyshire, and in Lincolnshire and Rutland, which rank 11th and 8th respectively.

Derbyshire

Population (thousands)[1]	957
Population of Working Age (thousands)[1]	619
Minority Ethnic Groups (%)	
White	96.0
Black	0.6
Indian	1.2
Bangladeshi/Pakistani	1.0
Other/Mixed	1.3
Population Change: 1991-2001 (% pa)[1]	0.2
Population Density (persons per square km)[1]	364
Employment (thousands)	443
Change: 1992-2002 (% pa)	0.8
Change: 1997-2002 (% pa)	1.4
Employment in 10 Worst Performing UK Industries (%)	20.2
Employment in 10 Best Performing UK Industries (%)	41.8
Top Three Occupational Groups (% of Total Emp.)	
Managers and Senior Officials	13.6
Elementary Occupations	12.8
Skilled Trades Occupations	12.6
Workforce with NVQ4+ Qualifications (%)[1]	20.3
Workforce with no Qualifications (%)[1]	19.3
Average Gross Weekly Pay (£s)	356
Unemployment Rate (ILO)	3.2
Establishments Reporting HtFVs (%)	8.2
Establishments Reporting SSVs (%)	5.1

Note(s): *Data are for 2002 except [1] where data are for 2001.*
Source(s)*: CE and IER estimates based on various sources (see Annex A for details).*

Leicestershire

Population (thousands)[1]	890
Population of Working Age (thousands)[1]	586
Minority Ethnic Groups (%)	
White	85.0
Black	1.2
Indian	10.2
Bangladeshi/Pakistani	1.0
Other/Mixed	2.7
Population Change: 1991-2001 (% pa)[1]	0.4
Population Density (persons per square km)[1]	412
Employment (thousands)	451
Change: 1992-2002 (% pa)	0.2
Change: 1997-2002 (% pa)	-0.7
Employment in 10 Worst Performing UK Industries (%)	25.4
Employment in 10 Best Performing UK Industries (%)	42.6
Top Three Occupational Groups (% of Total Emp.)	
Managers and Senior Officials	14.4
Administrative and Secretarial Occupations	12.4
Skilled Trades Occupations	12.2
Workforce with NVQ4+ Qualifications (%)[1]	20.2
Workforce with no Qualifications (%)[1]	18.1
Average Gross Weekly Pay (£s)	343
Unemployment Rate (ILO)	2.4
Establishments Reporting HtFVs (%)	9.6
Establishments Reporting SSVs (%)	7.6

Note(s): *Data are for 2002 except [1] where data are for 2001.*
Source(s)*: CE and IER estimates based on various sources (see Annex A for details).*

Lincolnshire and Rutland

Population (thousands)[1]	682
Population of Working Age (thousands)[1]	432
Minority Ethnic Groups (%)	
White	98.6
Black	0.2
Indian	0.2
Bangladeshi/Pakistani	0.1
Other/Mixed	0.9
Population Change: 1991-2001 (% pa)[1]	0.9
Population Density (persons per square km)[1]	108
Employment (thousands)	276
Change: 1992-2002 (% pa)	1.0
Change: 1997-2002 (% pa)	0.5
Employment in 10 Worst Performing UK Industries (%)	21.8
Employment in 10 Best Performing UK Industries (%)	38.5
Top Three Occupational Groups (% of Total Emp.)	
Managers and Senior Officials	13.9
Skilled Trades Occupations	13.3
Elementary Occupations	13.2
Workforce with NVQ4+ Qualifications (%)[1]	18.9
Workforce with no Qualifications (%)[1]	15.6
Average Gross Weekly Pay (£s)	308
Unemployment Rate (ILO)	2.9
Establishments Reporting HtFVs (%)	9.6
Establishments Reporting SSVs (%)	5.4

Note(s): *Data are for 2002 except [1] where data are for 2001.*
Source(s)*: CE and IER estimates based on various sources (see Annex A for details).*

Northamptonshire

Population (thousands)[1]	630
Population of Working Age (thousands)[1]	416
Minority Ethnic Groups (%)	
White	95.1
Black	1.2
Indian	1.3
Bangladeshi/Pakistani	0.5
Other/Mixed	1.8
Population Change: 1991-2001 (% pa)[1]	0.8
Population Density (persons per square km)[1]	267
Employment (thousands)	325
Change: 1992-2002 (% pa)	1.6
Change: 1997-2002 (% pa)	0.5
Employment in 10 Worst Performing UK Industries (%)	17.4
Employment in 10 Best Performing UK Industries (%)	47.8
Top Three Occupational Groups (% of Total Emp.)	
Managers and Senior Officials	15.1
Administrative and Secretarial Occupations	12.6
Elementary Occupations	12.1
Workforce with NVQ4+ Qualifications (%)[1]	18.0
Workforce with no Qualifications (%)[1]	16.2
Average Gross Weekly Pay (£s)	364
Unemployment Rate (ILO)	2.8
Establishments Reporting HtFVs (%)	8.7
Establishments Reporting SSVs (%)	4.6

Note(s): *Data are for 2002 except [1] where data are for 2001.*
Source(s): *CE and IER estimates based on various sources (see Annex A for details).*

Nottinghamshire

Population (thousands)[1]	1,016
Population of Working Age (thousands)[1]	667
Minority Ethnic Groups (%)	
White	94.1
Black	1.5
Indian	1.1
Bangladeshi/Pakistani	1.2
Other/Mixed	2.1
Population Change: 1991-2001 (% pa)[1]	0.0
Population Density (persons per square km)[1]	470
Employment (thousands)	478
Change: 1992-2002 (% pa)	0.3
Change: 1997-2002 (% pa)	-0.3
Employment in 10 Worst Performing UK Industries (%)	19.5
Employment in 10 Best Performing UK Industries (%)	45.0
Top Three Occupational Groups (% of Total Emp.)	
Managers and Senior Officials	14.4
Associate Professional and Technical Occupations	12.9
Administrative and Secretarial Occupations	12.2
Workforce with NVQ4+ Qualifications (%)[1]	19.5
Workforce with no Qualifications (%)[1]	20.6
Average Gross Weekly Pay (£s)	344
Unemployment Rate (ILO)	3.3
Establishments Reporting HtFVs (%)	10.2
Establishments Reporting SSVs (%)	6.1

Note(s): *Data are for 2002 except [1] where data are for 2001.*
Source(s)*: CE and IER estimates based on various sources (see Annex A for details).*

Yorkshire and Humberside

4.56 Yorkshire and Humberside has four clearly defined sub-regions (West Yorkshire, North Yorkshire, Humberside and South Yorkshire) with a combined population of nearly 5 million. Four-fifths of the region is rural in nature, including the east coast, the uplands of North Yorkshire, the Pennines and the former coal field areas. Alongside this are the large conurbations in West and South Yorkshire; 65 per cent of the Yorkshire and Humberside population are concentrated around Leeds and Bradford in West Yorkshire and around Sheffield in South Yorkshire. Among the region's strengths are its environmental assets, including three National Parks and its well-developed communications infrastructure. There is also a strong educational infrastructure.

Among the region's strengths are its environmental assets and its well-developed communications infrastructure.

4.57 The region has experienced significant economic upheaval in the last 20 years. This has seen the running down of the coal industry, decline in heavy engineering, textiles and fishing, and the restructuring of the steel industry. South Yorkshire was hit the hardest, with total population falling between 1981 and 2000 as industry declined. Although the other three sub-regions are performing at a level around the UK average in terms of employment growth, they need to tackle disadvantage resulting from the 'two-speed' economies in many cities, towns and rural areas, including in former coal field areas. There are significant intra-regional and inter-regional differences. Some parts of Yorkshire and Humberside have begun to diversify. Leeds has become the leading financial centre of the North of England, and Sheffield is also developing service industries. North Yorkshire is coming to rely less on hill farming and more on tourism. However, the region is still more dependent on manufacturing than the national average.

The region has experienced much economic change, but is still more dependent on manufacturing than the national average.

4.58 The two key problems for the region's economy identified by the RDA are under-production and under-employment. Over one-fifth of employment and output is generated by the public sector. The top 10 industries in terms of employment and output do not contain any industrial sectors that contribute high added-value to the economy.

Yorkshire and Humberside

Local LSCs: Humberside; North Yorkshire; West Yorkshire; South Yorkshire.	
Population (thousands)[1]	4,967
Population of Working Age (thousands)[1]	3,218
Minority Ethnic Groups (%)	
White	93.5
Black	0.7
Indian	1.0
Bangladeshi/Pakistani	3.2
Other/Mixed	1.6
Population Change: 1990-2000 (% pa)[1]	0.1
Population Density (persons per square km)[1]	322
Employment (thousands)	2,313
Change: 1992-2002 (% pa)	0.5
Change: 1997-2002 (% pa)	0.2
Employment in 10 Worst Performing UK Industries (%)	20.2
Employment in 10 Best Performing UK Industries (%)	43.4
Top Three Occupational Groups (% of Total Emp.)	
Managers and Senior Officials	13.4
Elementary Occupations	12.7
Administrative and Secretarial Occupations	12.6
Workforce with NVQ4+ Qualifications (%)[1]	20.1
Workforce with no Qualifications (%)[1]	18.8
Average Gross Weekly Pay (£s)	341
Unemployment Rate (ILO)	5.4
Establishments Reporting HtFVs (%)	8.8
Establishments Reporting SSVs (%)	5.2

Note(s): *Data are for 2002 except [1] where data are for 2001.*
Source(s)*: CE and IER estimates based on various sources (see Annex A for details).*

Yorkshire and Humberside local LSC areas

Yorkshire and Humberside has poor employment growth, particularly Humberside.

4.59 Humberside stands out with its particularly poor performance in terms of employment growth. It has had the worst employment growth performance in the Yorkshire and Humberside region, at 44th in England for both 1992 to 2002 and 1997 to 2002. It ranks in the top 10 for the number of employees in manufacturing, employment in the 10 worst-performing industries, and unemployment rates in England. West Yorkshire and North Yorkshire have also performed particularly badly. In contrast, South Yorkshire, despite having one of the worst unemployment levels in the region, was the only Yorkshire and Humberside local LSC to experience an improvement in employment growth, moving from 27th for 1992 to 2002, to 20th for 1997 to 2002. The problem for employment growth is that not only is manufacturing over-represented in the region, but the region remains under-represented in the most advanced and most rapidly growing parts of manufacturing, such as electronics. Manufacturing is concentrated in traditional manufacturing sectors such as textiles and clothing, and metals and mechanical engineering, which are nationally two of the worst-performing industries.

North Yorkshire has the worst performance in England for hard-to-fill vacancies and skill-shortage vacancies.

4.60 North Yorkshire has the worst performance in England for HtFVs and SSVs, ranking 1st and 2nd respectively. Of the rest of the region only Humberside ranks in the top 10, for SSVs it is ranked 9th in England. In the rest of the region employers do not report high levels of HtFVs or SSVs.

There is a split in the qualifications levels in the Yorkshire and Humberside region.

4.61 There is a split in the qualification levels in the Yorkshire and Humberside region. Humberside and West Yorkshire are ranked low for the percentage of the working age population with qualification NVQ level 4 or above, at 39th and 45th respectively. West Yorkshire also ranks 3rd in the percentage of the working age population with no qualifications. For qualification NVQ level 1, Humberside ranks 7th and West Yorkshire ranks 6th. Therefore in both of these areas a majority of the workforce has qualification NVQ level 1 or below. Only North Yorkshire stands out as having much higher qualification levels at NVQ level 4 or above, with the percentage of the working age population ranking 12th in England.

Humberside

Population (thousands)[1]	869
Population of Working Age (thousands)[1]	556
Minority Ethnic Groups (%)	
White	98.2
Black	0.2
Indian	0.3
Bangladeshi/Pakistani	0.3
Other/Mixed	0.9
Population Change: 1991-2001 (% pa)[1]	0.0
Population Density (persons per square km)[1]	247
Employment (thousands)	374
Change: 1992-2002 (% pa)	-0.8
Change: 1997-2002 (% pa)	-1.3
Employment in 10 Worst Performing UK Industries (%)	22.5
Employment in 10 Best Performing UK Industries (%)	39.3
Top Three Occupational Groups (% of Total Emp.)	
Elementary Occupations	13.6
Managers and Senior Officials	13.3
Skilled Trades Occupations	12.6
Workforce with NVQ4+ Qualifications (%)[1]	18.4
Workforce with no Qualifications (%)[1]	16.5
Average Gross Weekly Pay (£s)	333
Unemployment Rate (ILO)	3.9
Establishments Reporting HtFVs (%)	7.7
Establishments Reporting SSVs (%)	5.6

Note(s): *Data are for 2002 except [1] where data are for 2001.*
Source(s)*: CE and IER estimates based on various sources (see Annex A for details).*

North Yorkshire

Population (thousands)[1]	751
Population of Working Age (thousands)[1]	485
Minority Ethnic Groups (%)	
White	98.6
Black	0.1
Indian	0.1
Bangladeshi/Pakistani	0.1
Other/Mixed	1.0
Population Change: 1991-2001 (% pa)[1]	0.5
Population Density (persons per square km)[1]	90
Employment (thousands)	379
Change: 1992-2002 (% pa)	1.3
Change: 1997-2002 (% pa)	0.5
Employment in 10 Worst Performing UK Industries (%)	19.0
Employment in 10 Best Performing UK Industries (%)	49.0
Top Three Occupational Groups (% of Total Emp.)	
Elementary Occupations	14.6
Managers and Senior Officials	13.5
Administrative and Secretarial Occupations	12.5
Workforce with NVQ4+ Qualifications (%)[1]	26.3
Workforce with no Qualifications (%)[1]	13.9
Average Gross Weekly Pay (£s)	339
Unemployment Rate (ILO)	2.4
Establishments Reporting HtFVs (%)	12.5
Establishments Reporting SSVs (%)	6.8

Note(s): *Data are for 2002 except [1] where data are for 2001.*
Source(s)*: CE and IER estimates based on various sources (see Annex A for details).*

West Yorkshire

Population (thousands)[1]	2,080
Population of Working Age (thousands)[1]	1,354
Minority Ethnic Groups (%)	
White	88.6
Black	1.0
Indian	2.0
Bangladeshi/Pakistani	6.3
Other/Mixed	2.1
Population Change: 1991-2001 (% pa)[1]	0.1
Population Density (persons per square km)[1]	1,025
Employment (thousands)	1,021
Change: 1992-2002 (% pa)	0.5
Change: 1997-2002 (% pa)	0.1
Employment in 10 Worst Performing UK Industries (%)	20.6
Employment in 10 Best Performing UK Industries (%)	44.3
Top Three Occupational Groups (% of Total Emp.)	
Managers and Senior Officials	13.7
Administrative and Secretarial Occupations	12.9
Associate Professional and Technical Occupations	12.7
Workforce with NVQ4+ Qualifications (%)[1]	17.5
Workforce with no Qualifications (%)[1]	21.5
Average Gross Weekly Pay (£s)	347
Unemployment Rate (ILO)	3.6
Establishments Reporting HtFVs (%)	8.3
Establishments Reporting SSVs (%)	4.5

Note(s): *Data are for 2002 except [1] where data are for 2001.*
Source(s): *CE and IER estimates based on various sources (see Annex A for details).*

South Yorkshire

Population (thousands)[1]	1,266
Population of Working Age (thousands)[1]	823
Minority Ethnic Groups (%)	
White	95.2
Black	0.8
Indian	0.4
Bangladeshi/Pakistani	1.9
Other/Mixed	1.7
Population Change: 1991-2001 (% pa)[1]	-0.2
Population Density (persons per square km)[1]	816
Employment (thousands)	540
Change: 1992-2002 (% pa)	0.8
Change: 1997-2002 (% pa)	1.1
Employment in 10 Worst Performing UK Industries (%)	20.3
Employment in 10 Best Performing UK Industries (%)	42.0
Top Three Occupational Groups (% of Total Emp.)	
Managers and Senior Officials	12.8
Administrative and Secretarial Occupations	12.7
Skilled Trades Occupations	12.7
Workforce with NVQ4+ Qualifications (%)[1]	20.7
Workforce with no Qualifications (%)[1]	19.3
Average Gross Weekly Pay (£s)	326
Unemployment Rate (ILO)	4.1
Establishments Reporting HtFVs (%)	7.6
Establishments Reporting SSVs (%)	4.9

Note(s): *Data are for 2002 except [1] where data are for 2001.*
Source(s)*: CE and IER estimates based on various sources (see Annex A for details).*

North West

The North West is a huge diverse region from rural countryside to areas of urban deprivation.

4.62 The North West is the largest region outside the South East and London in terms of population, and it contains a wide variety of geographical areas including Cumbria, Lancashire, Greater Manchester, Merseyside and Cheshire. There is huge diversity within the region from rural countryside to areas of urban deprivation and some of the most prosperous suburbs in the UK. Within the region, Merseyside represents a special area of relative economic under-development (the 'Merseyside gap'), where GDP per capita is 30 per cent below the UK average. This contrasts sharply with Cheshire, which is 14 per cent above the UK average for GDP per capita.

The densely populated areas in the North West tend to have the highest unemployment rates for the region.

4.63 The population of almost 6.7 million is unevenly spread, with the largest concentrations being in Liverpool and the Greater Manchester sub-region, with population density more than eight times the UK average. The highest unemployment rates in the North West tend to be concentrated in these densely populated areas. As a result, Greater Manchester and Merseyside have experienced migration out of their region as increasingly available road transport has encouraged migration from decaying inner-city areas, to accessible countryside locations. Transport within the region includes good north-south road and rail links and the increasingly important Manchester airport.

Traditional industries still play an important role in the region.

4.64 Traditional industries still play an important role in the region. Some 25 per cent of all UK motor vehicles industry employees are based in the North West, and a quarter of the national aerospace output comes from the region, accounting for 1 in 4 high-tech jobs in the region. The heavy presence of these industries is of concern for the region as the industries continue to decline. Though in the future manufacturing output is forecast to recover, employment levels, which declined at 3.8 per cent in 2002, are forecast to continue falling.

4.65 The North West has a stronger representation of universities than most other regions, and these play a vital role in supporting a high-tech centre of excellence to encourage SMEs, particularly in the software industry. Although not far removed from the UK average, the region has a serious skills deficit compared with the best-performing areas nationally. There is a particular problem with the large proportion of over-50s in the male workforce, who have a low level of key skills on which to base skills development. Some of the more traditional industries in the region such as chemicals and the broad sector of engineering suffer the problems of an ageing workforce as a result of low recruitment in the past.

North West

Local LSCs: Cheshire and Warrington; Greater Manchester; Lancashire; Greater Merseyside; Cumbria.	
Population (thousands)[1]	6,732
Population of Working Age (thousands)[1]	4,356
Minority Ethnic Groups (%)	
White	94.4
Black	0.6
Indian	1.1
Bangladeshi/Pakistani	2.1
Other/Mixed	1.7
Population Change: 1990-2000 (% pa)[1]	-0.1
Population Density (persons per square km)[1]	477
Employment (thousands)	3,194
Change: 1992-2002 (% pa)	0.6
Change: 1997-2002 (% pa)	0.8
Employment in 10 Worst Performing UK Industries (%)	18.5
Employment in 10 Best Performing UK Industries (%)	45.4
Top Three Occupational Groups (% of Total Emp.)	
Managers and Senior Officials	13.4
Associate Professional and Technical Occupations	13.3
Administrative and Secretarial Occupations	13.2
Workforce with NVQ4+ Qualifications (%)[1]	21.2
Workforce with no Qualifications (%)[1]	18.9
Average Gross Weekly Pay (£s)	358
Unemployment Rate (ILO)	5.5
Establishments Reporting HtFVs (%)	7.9
Establishments Reporting SSVs (%)	4.3

Note(s): *Data are for 2002 except [1] where data are for 2001.*
Source(s)*: CE and IER estimates based on various sources (see Annex A for details).*

North West local LSC areas

The urbanised areas of the North West have seen an improvement in employment growth.

4.66 In terms of employment growth the North West local LSC areas have performed badly compared to the UK average. The regions with higher urbanisation like Greater Merseyside and Greater Manchester experienced a greater improvement in employment growth than the rest of the region, in particular Greater Merseyside, which moved from 40th between 1992 and 2002 to 14th between 1997 and 2002. But it also has the fifth-highest unemployment rate in England and by far the highest in the region, which indicates deep skill gaps in the region. The improvement in Greater Manchester may be due to the 2002 Commonwealth Games. The Games brought more than 6,000 jobs to the area and £600 million investment, providing a boost for manufacturing and construction in the area.

4.67 In terms of the 10 best and the 10 worst-performing industries in the UK, the local LSC areas of the North West do not rank particularly high. In terms of employment in manufacturing, Lancashire and Cumbria rank in the top 10 local LSC areas in England, with around 18 per cent of the working population employed in the sector. For the working population of the more urbanised areas of the North West, like Greater Manchester and Greater Merseyside, just under 14 per cent are employed in manufacturing. This is because the more urbanised areas have been in a better position to create new jobs generated by services. Retail and distribution, hotels, and financial and businesses services have become the main employers in the region.

4.68 Employers in the North West do not report a high level of HtFVs or SSVs. The region has the most consistent performance in England. Only Cumbria reports a relatively high level of HtFVs and SSVs, 9.3 per cent of employers reported HtFVs, and 5.1 per cent of employers reported SSVs. These ranked Cumbria 12th in England for both categories, while the rest of the region ranks outside the top 20.

The North West has a high proportion of the working age population with no qualifications.

4.69 Cheshire and Warrington stands apart in this region, ranked 10th for the percentage of the working age population with qualifications at NVQ level 4 or above, at just over 27 per cent. In Greater Merseyside and Cumbria only around 19 per cent of the working age population has NVQ level 4 or above. Cumbria also has a high percentage of the working age population with NVQ level 2, ranking 2nd in England. Greater Merseyside has the highest percentage of the working age population with no qualifications in the North West, ranking 4th in England. Greater Manchester also ranks in the top 10 for this category.

Cheshire and Warrington

Population (thousands)[1]	865
Population of Working Age (thousands)[1]	564
Minority Ethnic Groups (%)	
White	98.3
Black	0.2
Indian	0.3
Bangladeshi/Pakistani	0.2
Other/Mixed	1.1
Population Change: 1991-2001 (% pa)[1]	0.3
Population Density (persons per square km)[1]	382
Employment (thousands)	523
Change: 1992-2002 (% pa)	1.4
Change: 1997-2002 (% pa)	0.9
Employment in 10 Worst Performing UK Industries (%)	19.1
Employment in 10 Best Performing UK Industries (%)	46.3
Top Three Occupational Groups (% of Total Emp.)	
Managers and Senior Officials	13.6
Administrative and Secretarial Occupations	13.1
Skilled Trades Occupations	12.6
Workforce with NVQ4+ Qualifications (%)[1]	27.2
Workforce with no Qualifications (%)[1]	14.3
Average Gross Weekly Pay (£s)	383
Unemployment Rate (ILO)	2.6
Establishments Reporting HtFVs (%)	7.9
Establishments Reporting SSVs (%)	4.1

Note(s): *Data are for 2002 except [1] where data are for 2001.*
Source(s)*: CE and IER estimates based on various sources (see Annex A for details).*

Greater Manchester

Population (thousands)[1]	2,483
Population of Working Age (thousands)[1]	1,621
Minority Ethnic Groups (%)	
White	91.1
Black	1.2
Indian	1.4
Bangladeshi/Pakistani	3.8
Other/Mixed	2.5
Population Change: 1991-2001 (% pa)[1]	-0.3
Population Density (persons per square km)[1]	1,946
Employment (thousands)	1,253
Change: 1992-2002 (% pa)	0.7
Change: 1997-2002 (% pa)	0.9
Employment in 10 Worst Performing UK Industries (%)	17.6
Employment in 10 Best Performing UK Industries (%)	49.0
Top Three Occupational Groups (% of Total Emp.)	
Managers and Senior Officials	13.5
Administrative and Secretarial Occupations	13.4
Associate Professional and Technical Occupations	13.4
Workforce with NVQ4+ Qualifications (%)[1]	21.2
Workforce with no Qualifications (%)[1]	19.8
Average Gross Weekly Pay (£s)	351
Unemployment Rate (ILO)	3.5
Establishments Reporting HtFVs (%)	7.9
Establishments Reporting SSVs (%)	4.6

Note(s): *Data are for 2002 except [1] where data are for 2001.*
Source(s)*: CE and IER estimates based on various sources (see Annex A for details).*

Lancashire

Population (thousands)[1]	1,416
Population of Working Age (thousands)[1]	907
Minority Ethnic Groups (%)	
White	93.4
Black	0.2
Indian	2.1
Bangladeshi/Pakistani	3.0
Other/Mixed	1.3
Population Change: 1991-2001 (% pa)[1]	0.1
Population Density (persons per square km)[1]	460
Employment (thousands)	645
Change: 1992-2002 (% pa)	0.8
Change: 1997-2002 (% pa)	0.4
Employment in 10 Worst Performing UK Industries (%)	20.1
Employment in 10 Best Performing UK Industries (%)	41.1
Top Three Occupational Groups (% of Total Emp.)	
Managers and Senior Officials	13.3
Associate Professional and Technical Occupations	13.2
Administrative and Secretarial Occupations	12.8
Workforce with NVQ4+ Qualifications (%)[1]	20.1
Workforce with no Qualifications (%)[1]	19.2
Average Gross Weekly Pay (£s)	322
Unemployment Rate (ILO)	2.9
Establishments Reporting HtFVs (%)	8.0
Establishments Reporting SSVs (%)	4.2

Note(s): *Data are for 2002 except [1] where data are for 2001.*
Source(s)*: CE and IER estimates based on various sources (see Annex A for details).*

Cumbria

Population (thousands)[1]	488
Population of Working Age (thousands)[1]	313
Minority Ethnic Groups (%)	
White	99.3
Black	0.1
Indian	0.1
Bangladeshi/Pakistani	0.1
Other/Mixed	0.5
Population Change: 1991-2001 (% pa)[1]	0.0
Population Density (persons per square km)[1]	72
Employment (thousands)	203
Change: 1992-2002 (% pa)	-0.9
Change: 1997-2002 (% pa)	-1.4
Employment in 10 Worst Performing UK Industries (%)	21.5
Employment in 10 Best Performing UK Industries (%)	41.4
Top Three Occupational Groups (% of Total Emp.)	
Managers and Senior Officials	13.3
Elementary Occupations	12.9
Skilled Trades Occupations	12.7
Workforce with NVQ4+ Qualifications (%)[1]	18.8
Workforce with no Qualifications (%)[1]	13.7
Average Gross Weekly Pay (£s)	324
Unemployment Rate (ILO)	3.4
Establishments Reporting HtFVs (%)	9.3
Establishments Reporting SSVs (%)	5.1

Note(s): *Data are for 2002 except [1] where data are for 2001.*
Source(s)*: CE and IER estimates based on various sources (see Annex A for details).*

Greater Merseyside

Population (thousands)[1]	1,480
Population of Working Age (thousands)[1]	952
Minority Ethnic Groups (%)	
White	97.3
Black	0.5
Indian	0.3
Bangladeshi/Pakistani	0.2
Other/Mixed	1.8
Population Change: 1991-2001 (% pa)[1]	-0.5
Population Density (persons per square km)[1]	2,045
Employment (thousands)	569
Change: 1992-2002 (% pa)	0.3
Change: 1997-2002 (% pa)	1.6
Employment in 10 Worst Performing UK Industries (%)	17.2
Employment in 10 Best Performing UK Industries (%)	42.8
Top Three Occupational Groups (% of Total Emp.)	
Associate Professional and Technical Occupations	14.2
Administrative and Secretarial Occupations	13.8
Managers and Senior Officials	13.1
Workforce with NVQ4+ Qualifications (%)[1]	19.4
Workforce with no Qualifications (%)[1]	21.4
Average Gross Weekly Pay (£s)	351
Unemployment Rate (ILO)	4.9
Establishments Reporting HtFVs (%)	7.4
Establishments Reporting SSVs (%)	3.9

Note(s): *Data are for 2002 except [1] where data are for 2001.*
Source(s): *CE and IER estimates based on various sources (see Annex A for details).*

North East

Much of the region has an exceptionally attractive environment, but there are also some areas of extreme industrial dereliction and social deprivation.

4.70 The region covers the area from Berwick upon Tweed in the north to the Tees Valley in the south and spreads inland to the Pennines. It includes the population concentrations of Tyneside, Wearside, and Teesside. Much of the region has an exceptionally attractive environment and several outstanding cultural attributes. There are also some areas of extreme industrial dereliction and social deprivation, particularly in Teesside and Tyne and Wear. The region has a population of 2.5 million, with 70 per cent living in the cities and towns along the rivers Tyne, Wear, and Tees where traditionally they supported mining, steel, shipbuilding and heavy manufacturing. This concentration of the population contrasts with Northumberland, which is the most sparsely populated rural area in England, with attendant problems of relative isolation. Problems include some difficulty in accessing jobs, education, and social services.

The region has been transformed in the last 25 years.

4.71 In the last 25 years the region has been transformed with huge job losses in primary, heavy and manufacturing industry. Coal mining in Northumberland and Durham and the steel industry in Consett were major casualties of the transformation. Chemicals and metal manufacture have remained important, but continue to under-perform. Cost pressures have led to job losses, although some manufacturing sectors have performed better. Motor vehicles production in the North East experienced a growth in output in 2002. Food, drink and tobacco was the only industry to experience growth in both output and employment, with both KP Foods and Challenger announcing job creations.

Growth in the service sector is slower than in any region in England.

4.72 Government and other services account for a higher proportion of both employment (34 per cent of the total workforce) and output (26 per cent) in the North East than nationally (30 per cent and 22 per cent, respectively). Despite a strong performance of employment in the region's five universities and 25 colleges, many local councils are shedding jobs, with 600 redundancies announced throughout the region, and overall employment in the sector is not forecast to grow. The service sector in the North East has a slower rate of growth than anywhere else in England. With financial and business services providing the main source of growth nationally, the North East is in a weak position resulting in both GVA per head and employment rates lower than in any other region in England.

4.73 Educational attainment of young people is well below the national average. The workforce is less well qualified than in all other regions and the population suffers more health problems.

North East

Local LSCs: Tees Valley; County Durham; Northumberland; Tyne and Wear.	
Population (thousands)[1]	2,517
Population of Working Age (thousands)[1]	1,637
Minority Ethnic Groups (%)	
White	97.6
Black	0.2
Indian	0.4
Bangladeshi/Pakistani	0.8
Other/Mixed	1.0
Population Change: 1990-2000 (% pa)[1]	-0.2
Population Density (persons per square km)[1]	294
Employment (thousands)	1,045
Change: 1992-2002 (% pa)	-0.2
Change: 1997-2002 (% pa)	-0.5
Employment in 10 Worst Performing UK Industries (%)	21.8
Employment in 10 Best Performing UK Industries (%)	40.7
Top Three Occupational Groups (% of Total Emp.)	
Elementary Occupations	13.6
Skilled Trades Occupations	12.6
Associate Professional and Technical Occupations	12.5
Workforce with NVQ4+ Qualifications (%)[1]	18.8
Workforce with no Qualifications (%)[1]	19.4
Average Gross Weekly Pay (£s)	332
Unemployment Rate (ILO)	6.9
Establishments Reporting HtFVs (%)	7.9
Establishments Reporting SSVs (%)	5.0

Note(s): *Data are for 2002 except [1] where data are for 2001.*
Source(s): *CE and IER estimates based on various sources (see Annex A for details).*

North East local LSC areas

Unemployment rates in the North East are the highest in England.

4.74 The North East region has the worst employment growth performance in England. All local LSC areas in the region, except County Durham, rank in the bottom 10 in terms of employment growth. Specialisation in slow growth industries is a problem, particularly in Northumberland, which ranks 1st for employment in the 10 worst-performing industries in the UK. Northumberland also scores the worst for employment in the top 10 best-performing industries. Manufacturing is still an important employer in the North East and Tees Valley in particular, and the industry is in decline. With service industries not as strong as nationally, declines in manufacturing employment will not be offset, resulting in high unemployment rates in the North East. All local LSC areas in the region are some of the worst unemployment areas in England, with Tees Valley having the highest unemployment rate of any local LSC area in England.

4.75 A characteristic of the local LSC areas in the North East region is the relatively low numbers of employers reporting HtFVs and SSVs. Only Tyne and Wear ranks in the top 20 for HtFVs. The rest of the region ranks in the bottom 20 for England. The North East does not perform so strongly on SSVs. In both Tees Valley and Tyne and Wear 5.7 per cent of employers report SSVs.

The North East is characterised by a large number of the working age population with no qualifications.

4.76 The North East is characterised by a large percentage of the working age population with no qualifications. Both Tees Valley and County Durham are ranked in the top 10, at 7th and 9th respectively. In this category Northumberland is ranked the lowest in the region, at 17th place. Northumberland is also the only local LSC area in the North East to have more than 20 per cent of the working age population with qualification NVQ level 4 or above. The rest of the North East local LSC areas are ranked in the bottom 10 in England for this category. Only in the category of the percentage of the working age population with NVQ level 1 do any local LSC areas rank above 20th place. Generally the region is therefore characterised by some of the lowest levels of formal qualifications in England.

Tees Valley

Population (thousands)[1]	639
Population of Working Age (thousands)[1]	412
Minority Ethnic Groups (%)	
White	97.2
Black	0.2
Indian	0.4
Bangladeshi/Pakistani	1.3
Other/Mixed	1.0
Population Change: 1991-2001 (% pa)[1]	-0.3
Population Density (persons per square km)[1]	804
Employment (thousands)	217
Change: 1992-2002 (% pa)	-1.0
Change: 1997-2002 (% pa)	-1.4
Employment in 10 Worst Performing UK Industries (%)	21.7
Employment in 10 Best Performing UK Industries (%)	39.7
Top Three Occupational Groups (% of Total Emp.)	
Elementary Occupations	13.9
Associate Professional and Technical Occupations	12.8
Skilled Trades Occupations	12.2
Workforce with NVQ4+ Qualifications (%)[1]	17.5
Workforce with no Qualifications (%)[1]	20
Average Gross Weekly Pay (£s)	325
Unemployment Rate (ILO)	5.6
Establishments Reporting HtFVs (%)	8.0
Establishments Reporting SSVs (%)	5.7

Note(s): *Data are for 2002 except [1] where data are for 2001.*
Source(s)*: CE and IER estimates based on various sources (see Annex A for details).*

County Durham

Population (thousands)[1]	494
Population of Working Age (thousands)[1]	324
Minority Ethnic Groups (%)	
White	99.0
Black	0.1
Indian	0.2
Bangladeshi/Pakistani	0.1
Other/Mixed	0.7
Population Change: 1991-2001 (% pa)[1]	-0.2
Population Density (persons per square km)[1]	222
Employment (thousands)	230
Change: 1992-2002 (% pa)	0.7
Change: 1997-2002 (% pa)	1.0
Employment in 10 Worst Performing UK Industries (%)	24.8
Employment in 10 Best Performing UK Industries (%)	39.2
Top Three Occupational Groups (% of Total Emp.)	
Skilled Trades Occupations	14.5
Elementary Occupations	14.3
Process, Plant and Machine Operatives	11.7
Workforce with NVQ4+ Qualifications (%)[1]	18.3
Workforce with no Qualifications (%)[1]	19.6
Average Gross Weekly Pay (£s)	332
Unemployment Rate (ILO)	3.7
Establishments Reporting HtFVs (%)	7.0
Establishments Reporting SSVs (%)	3.5

Note(s): *Data are for 2002 except [1] where data are for 2001.*
Source(s)*: CE and IER estimates based on various sources (see Annex A for details).*

Northumberland

Population (thousands)[1]	307
Population of Working Age (thousands)[1]	199
Minority Ethnic Groups (%)	
White	99.0
Black	0.1
Indian	0.2
Bangladeshi/Pakistani	0.1
Other/Mixed	0.5
Population Change: 1991-2001 (% pa)[1]	0.1
Population Density (persons per square km)[1]	61.0
Employment (thousands)	104
Change: 1992-2002 (% pa)	-1.1
Change: 1997-2002 (% pa)	-2.9
Employment in 10 Worst Performing UK Industries (%)	27.7
Employment in 10 Best Performing UK Industries (%)	37.2
Top Three Occupational Groups (% of Total Emp.)	
Elementary Occupations	15.2
Skilled Trades Occupations	13.0
Associate Professional and Technical Occupations	12.7
Workforce with NVQ4+ Qualifications (%)[1]	21.6
Workforce with no Qualifications (%)[1]	17.9
Average Gross Weekly Pay (£s)	314
Unemployment Rate (ILO)	3.8
Establishments Reporting HtFVs (%)	7.1
Establishments Reporting SSVs (%)	3.6

Note(s): *Data are for 2002 except [1] where data are for 2001.*
Source(s)*: CE and IER estimates based on various sources (see Annex A for details).*

Tyne and Wear

Population (thousands)[1]	1,076
Population of Working Age (thousands)[1]	701
Minority Ethnic Groups (%)	
White	96.8
Black	0.2
Indian	0.6
Bangladeshi/Pakistani	1.1
Other/Mixed	1.3
Population Change: 1991-2001 (% pa)[1]	-0.4
Population Density (persons per square km)[1]	1,993
Employment (thousands)	494
Change: 1992-2002 (% pa)	-0.1
Change: 1997-2002 (% pa)	-0.1
Employment in 10 Worst Performing UK Industries (%)	19.1
Employment in 10 Best Performing UK Industries (%)	42.7
Top Three Occupational Groups (% of Total Emp.)	
Administrative and Secretarial Occupations	13.4
Elementary Occupations	12.9
Associate Professional and Technical Occupations	12.8
Workforce with NVQ4+ Qualifications (%)[1]	19.1
Workforce with no Qualifications (%)[1]	19.4
Average Gross Weekly Pay (£s)	329
Unemployment Rate (ILO)	4.7
Establishments Reporting HtFVs (%)	8.4
Establishments Reporting SSVs (%)	5.7

Note(s): *Data are for 2002 except [1] where data are for 2001.*
Source(s)*: CE and IER estimates based on various sources (see Annex A for details).*

Annex A: Statistical Sources and Detailed Tables

The data on sectoral and occupational employment levels and projections in the broad regional and detailed regional summary tables were taken from Wilson, R.A., A. Dickerson and K. Homenidou (2004), *Working Futures: New Projections of Occupational Employment by Sector and Region*, Sector Skills Development Agency and Green A., K. Homenidou and R. Wilson (2003) *Working futures: New projections of employment by sector and region - Regional Report*, Sector Skills Development Agency.

National Statistics sources

The estimates for Government Office Regions and local LSC areas in the detailed regional and summary regional indicators tables are based on various National Statistics sources.

Population estimates and working age population estimates are based on data from the Office for National Statistics *Population Estimates*.

Population density estimates, and minority ethnic estimates are based on data from *Census of Population 2001*.

Employment estimates are based on *Annual Business Inquiry* data.

Occupational employment estimates, and qualification level estimates are IER estimates based on data from the *Census of Population* and the *Labour Force Survey* data.

GVA estimates and average household incomes are based on data from several sources: *UK National Accounts - The Blue Book; Index of Production;* and *Input-Output Supply and Use*.

Weekly wage estimates are based on *New Earnings Survey* data.

Other sources

Vacancies and other estimates of skill deficiencies were obtained from the *2003 National Employer Skills Survey*.

Table A1: Qualification structures of the working age population by local LSC

	Proportion of working age population with qualification level:					%
	None	NVQ1	NVQ2	NVQ3	NVQ4+	Other
London North	15.4	11.1	11.7	12.2	29.4	16.3
London West	12.8	8.7	10.8	11.2	32.3	20.8
London Central	13.2	7.6	8.4	10.8	40.1	17.2
London East	21.1	13.7	13.3	12.8	21.7	12.8
London South	11	12.7	14.7	14.1	29.2	13
Berkshire	11.5	13.6	15.2	14.4	29.1	10.3
Milton Keynes, Oxfordshire and Buckinghamshire	11.5	14.6	16.2	14.6	28.4	6.9
Sussex	12.4	15.8	16.9	14.4	25.6	7.4
Hampshire and The Isle of Wight	11.9	17.5	14.9	14.7	25.7	7.2
Kent and Medway	14.6	19.6	15.1	14.3	19.8	8.7
Surrey	8.3	12.9	16.1	13.5	33.8	9.7
Bedfordshire and Luton	14	17.1	13.4	14.6	25.2	7.8
Essex	17.7	17.9	18.5	14.4	18	6.6
Hertfordshire	10.5	15.6	15.3	13.9	30.2	8.2
Cambridgeshire	14.7	16.8	14.9	13.4	24.8	9.9
Norfolk	15.7	19.6	15.9	13.8	17.1	8.6
Suffolk	16.7	16.5	16.3	12.1	20.7	9.1
West of England	10.3	16	15.3	16.9	29.6	6.1
Devon and Cornwall	12.8	18.1	17.2	14.3	21.7	8.5
Bournemouth, Dorset and Poole	12.2	18.9	17.6	14.4	22.3	6.7
Gloucestershire	12.3	17	16.1	13.5	27	6.7
Somerset	12.5	17.1	15.7	15.7	24	6.6
Wiltshire and Swindon	10.3	20.2	14.1	14.6	25.2	7.7
Herefordshire and Worcestershire	13.5	14.7	16.6	14.7	25.2	7.7
Shropshire	14.5	15.7	18	12.2	23.8	8.7
Staffordshire	18.3	17.6	15.1	13.9	19.5	7.8
Coventry and Warwickshire	18.1	13.7	15.7	13.5	24.3	7.4
The Black Country	23.4	16.2	15.6	11.5	16.5	10.3
Birmingham and Solihull	23.8	14	14.7	13.5	18.2	10.9
Derbyshire	19.3	17.7	14.9	13.9	20.3	6.6
Leicestershire	18.1	15.8	14.4	14.9	20.2	10.3
Lincolnshire and Rutland	15.6	18.4	15.1	13.4	18.9	9.9
Northamptonshire	16.2	15.9	14.7	14.2	18	12.4
Nottinghamshire	20.6	15.1	15.4	15.1	19.5	7.2
Humberside	16.5	18.4	15.9	14.2	18.4	8.5
North Yorkshire	13.9	15	15.6	13.9	26.3	7.2
West Yorkshire	21.5	18.5	13.5	13.1	17.5	7.9
South Yorkshire	19.3	15.8	14.7	13.7	20.7	7.6
Cheshire and Warrington	14.3	15	16.4	13.1	27.2	7
Greater Manchester	19.8	15.1	14.3	14.3	21.2	6.9

Table A1: Qualification structures of the working age population by local LSC (continued)

	%					
	Proportion of working age population with qualification level:					
	None	NVQ1	NVQ2	NVQ3	NVQ4+	Other
Lancashire	19.2	14.8	16	16.1	20.1	6.3
Greater Merseyside	21.4	16.1	16.8	14.3	19.4	5.9
Cumbria	13.7	19.8	15.7	13	18.8	8.2
Tees Valley	20	17.5	15	13.8	17.5	7
County Durham	19.6	17	15.4	13.8	18.3	6.1
Northumberland	17.9	15.3	14.2	14.2	21.6	6.8
Tyne and Wear	19.4	16.2	15.1	13.9	19.1	6.3

Source(s): *ONS, Labour Force Survey, 2001.*

Table A2: Ranking of qualification structures of the working age population by local LSC

	Rank					
	None	NVQ1	NVQ2	NVQ3	NVQ4+	Other
London North	24	45	45	43	6	3
London West	35	46	46	46	3	1
London Central	33	47	47	47	1	2
London East	5	40	44	41	23	5
London South	43	44	34	22	7	4
Berkshire	42	42	25	11	8	10
Milton Keynes, Oxfordshire and Buckinghamshire	41	38	10	10	9	36
Sussex	37	28	5	12	14	29
Hampshire and The Isle of Wight	40	13	31	7	13	32
Kent and Medway	26	3	28	18	32	15
Surrey	47	43	12	32	2	13
Bedfordshire and Luton	29	15	43	9	15	23
Essex	18	10	1	14	43	42
Hertfordshire	44	30	24	24	4	20
Cambridgeshire	25	19	32	37	18	12
Norfolk	22	4	15	29	46	17
Suffolk	19	20	9	44	28	14
West of England	46	24	23	1	5	46
Devon and Cornwall	34	9	4	17	24	19
Bournemouth, Dorset and Poole	39	5	3	13	22	39
Gloucestershire	38	18	11	33	11	38
Somerset	36	16	17	3	20	40
Wiltshire and Swindon	45	1	41	8	16	25
Herefordshire and Worcestershire	32	37	7	6	17	26
Shropshire	27	29	2	42	21	16
Staffordshire	14	12	27	23	33	24
Coventry and Warwickshire	16	41	18	35	19	28
The Black Country	2	22	19	45	47	8
Birmingham and Solihull	1	39	36	34	41	7
Derbyshire	12	11	33	26	29	41
Leicestershire	15	26	38	5	30	9
Lincolnshire and Rutland	23	8	26	36	37	11
Northamptonshire	21	25	37	21	42	6
Nottinghamshire	6	32	22	4	34	30
Humberside	20	7	14	19	39	18
North Yorkshire	30	35	20	25	12	31
West Yorkshire	3	6	42	39	45	22
South Yorkshire	11	27	35	31	27	27
Cheshire and Warrington	28	34	8	38	10	33
Greater Manchester	8	33	39	16	26	35

Table A2: Ranking of qualification structures of the working age population by local LSC (continued)

						Rank
	None	NVQ1	NVQ2	NVQ3	NVQ4+	Other
Lancashire	13	36	13	2	31	44
Greater Merseyside	4	23	6	15	35	47
Cumbria	31	2	16	40	38	21
Tees Valley	7	14	30	30	44	34
County Durham	9	17	21	28	40	45
Northumberland	17	31	40	20	25	37
Tyne and Wear	10	21	29	27	36	43

Note(s): *Rank 1 is highest concentration of qualification based on Table A1 and 47 is the lowest.*
Source(s): *ONS, Labour Force Survey, 2001.*

Table A3: Indicators of skill deficiencies and recruitment difficulties

	Hard-to-fill vacancies			Skill-shortage vacancies		
	Rank	%	Level	Rank	%	Level
London North	45	3.7	1,493	46	2.4	940
London West	43	5.1	3,215	30	4.1	2,590
London Central	47	3.2	4,175	47	2.3	2,998
London East	46	3.6	2,796	45	2.7	2,054
London South	44	4.8	2,608	42	3.1	1,706
Berkshire	8	9.8	3,807	16	5.0	1,923
Milton Keynes, Oxfordshire and Buckinghamshire	39	7.0	4,382	23	4.4	2,741
Sussex	34	7.4	4,776	28	4.1	2,655
Hampshire and The Isle of Wight	14	9.2	6,427	18	4.8	3,353
Kent and Medway	19	8.4	4,947	25	4.3	2,538
Surrey	22	8.2	4,592	19	4.6	2,571
Bedfordshire and Luton	29	7.9	1,690	15	5.0	1,064
Essex	31	7.7	4,858	29	4.1	2,610
Hertfordshire	36	7.2	3,545	26	4.3	2,106
Cambridgeshire	2	11.3	3,289	4	6.1	1,793
Norfolk	11	9.5	2,696	39	3.6	1,024
Suffolk	32	7.6	2,116	33	4.0	1,105
West of England	21	8.3	3,313	35	3.8	1,519
Devon and Cornwall	3	11.2	6,490	11	5.4	3,108
Bournemouth, Dorset and Poole	6	9.9	2,761	14	5.0	1,389
Gloucestershire	4	10.9	2,584	6	5.8	1,378
Somerset	13	9.3	1,874	44	2.8	559
Wiltshire and Swindon	7	9.9	2,363	32	4.1	974
Herefordshire and Worcestershire	16	8.6	2,505	24	4.3	1,266
Shropshire	17	8.5	1,386	3	6.5	1,051
Staffordshire	41	6.0	2,113	36	3.8	1,323
Coventry and Warwickshire	23	8.2	2,480	41	3.2	967
The Black Country	42	5.4	1,828	37	3.7	1,272
Birmingham and Solihull	40	6.0	2,318	43	3.0	1,145
Derbyshire	24	8.2	2,557	13	5.1	1,578
Leicestershire	9	9.6	3,253	1	7.6	2,581
Lincolnshire and Rutland	10	9.6	2,326	10	5.4	1,322
Northamptonshire	15	8.7	2,184	20	4.6	1,161
Nottinghamshire	5	10.2	3,335	5	6.1	1,995
Humberside	30	7.7	2,126	9	5.6	1,553
North Yorkshire	1	12.5	3,787	2	6.8	2,055
West Yorkshire	20	8.3	5,817	22	4.5	3,157
South Yorkshire	33	7.6	2,656	17	4.9	1,701
Cheshire and Warrington	27	7.9	2,700	31	4.1	1,399
Greater Manchester	28	7.9	6,772	21	4.6	3,906

Table A3: Indicators of skill deficiencies and recruitment difficulties (continued)

	Hard-to-fill vacancies			Skill-shortage vacancies		
	Rank	%	Level	Rank	%	Level
Lancashire	25	8.0	3,781	27	4.2	1,972
Greater Merseyside	35	7.4	3,031	34	3.9	1,627
Cumbria	12	9.3	1,723	12	5.1	947
Tees Valley	26	8.0	1,300	8	5.7	920
County Durham	38	7.0	846	40	3.5	426
Northumberland	37	7.1	644	38	3.6	329
Tyne and Wear	18	8.4	2,362	7	5.7	1,595

Note(s): *Rank 1 is highest concentration of hard-to-fill and skill-shortage vacancies and 47 lowest. All data relate to establishment-based estimates – see Volume 2 for measures of the actual number of HtFVs and SSVs and a description of the different ways skill deficiencies can be measured.*

Source(s):*NESS2003.*

Table A4: Labour market indicators (employment growth, structure and unemployment)

	Growth (%pa)		Proportion (%)		%	
	Emp 92-02	Emp 97-02	Emp Bot10	Emp Top10	Emp Manuf	ILO Unemp
London North	0.6	1.6	12	51.6	6.9	4.6
London West	1.7	2.9	10.5	61.7	7.3	3.8
London Central	2.4	2.7	8.9	63.2	3.8	5.1
London East	1.5	2.3	8.4	52.8	5.2	4.9
London South	0.4	1.5	9.8	52.3	5.8	2.9
Berkshire	2.1	2.9	14.1	56.4	9.9	1.7
Milton Keynes, Oxfordshire and Buckinghamshire	2.1	1.9	15.8	52.9	11.6	2.2
Sussex	1.2	1.7	14.5	49.3	8.2	2
Hampshire and The Isle of Wight	1.1	0.9	17.6	48.2	10.5	2.2
Kent and Medway	0.7	1.6	18.3	44.5	10.7	2.9
Surrey	1.9	1.8	13	56.7	7.8	1.7
Bedfordshire and Luton	0.2	1.3	17.4	50.2	15.6	2.5
Essex	1.4	1	15.7	45.9	12.4	2.5
Hertfordshire	1.8	2.1	13	52.2	9.1	2.1
Cambridgeshire	1.6	0.4	18.3	49.5	13.1	2.1
Norfolk	0.5	0.3	17.6	40.1	13.6	3
Suffolk	1.1	1.7	18.3	46	13.6	2.7
West of England	1.3	1.6	15.9	46.4	10.9	2.1
Devon and Cornwall	0.8	0.5	18.5	44	10.5	2.9
Bournemouth, Dorset and Poole	1.4	1.1	16.8	43.7	11.4	2.2
Gloucestershire	1.3	1.1	23.4	41.8	14.6	2.6
Somerset	0.9	0.9	19.4	42	15.6	2.5
Wiltshire and Swindon	2.2	2.5	19.8	47.4	13.7	2.3
Herefordshire and Worcestershire	1.1	0.5	22.5	43	16.4	2.8
Shropshire	1.2	0.6	22.9	40.3	17.9	2.4
Staffordshire	0.9	0.3	25.2	42	20.2	2.8
Coventry and Warwickshire	0.8	-0.6	17.9	48.8	25.8	3.4
The Black Country	0.4	0.2	23.5	43.3	17.1	4.8
Birmingham and Solihull	0.4	0.4	15	48.8	15.5	5.2
Derbyshire	0.8	1.4	20.2	41.8	21.8	3.2
Leicestershire	0.2	-0.7	25.4	42.6	20.3	2.4
Lincolnshire and Rutland	1	0.5	21.8	38.5	16.2	2.9
Northamptonshire	1.6	0.5	17.4	47.8	17.7	2.8
Nottinghamshire	0.3	-0.3	19.5	45	14.1	3.3
Humberside	-0.8	-1.3	22.5	39.3	19.8	3.9
North Yorkshire	1.3	0.5	19	49	10.4	2.4
West Yorkshire	0.5	0.1	20.6	44.3	17.4	3.6
South Yorkshire	0.8	1.1	20.3	42	15.7	4.1
Cheshire and Warrington	1.4	0.9	19.1	46.3	13.3	2.6
Greater Manchester	0.7	0.9	17.6	49	13.9	3.5

Table A4: Labour market indicators (employment growth, structure and unemployment) (continued)

	Growth (%pa)		Proportion (%)		%	
	Emp 92-02	Emp 97-02	Emp Bot10	Emp Top10	Emp Manuf	ILO Unemp
Lancashire	0.8	0.4	20.1	41.1	17.8	2.9
Greater Merseyside	0.3	1.6	17.2	42.8	13.7	4.9
Cumbria	-0.9	-1.4	21.5	41.4	18.4	3.4
Tees Valley	-1	-1.4	21.7	39.7	17.9	5.6
County Durham	0.7	1	24.8	39.2	16.8	3.7
Northumberland	-1.1	-2.9	27.7	37.2	14	3.8
Tyne and Wear	-0.1	-0.1	19.1	42.7	14.1	4.7

Source(s): *See beginning of Annex A.*

Note(s): *Growth over 1992-2002 or 1997-2002. Employment proportions are the shares in different industries as defined in Tables 1.2 and 1.3 or the share in manufacturing industries (manuf).*

Table A5: Ranking of labour market indicators (employment growth, structure and unemployment)

						Rank
	Emp 92-02	Emp 97-02	Emp Bot10	Emp Top10	Emp Manuf	ILO Unemp
London North	33	13	43	9	44	8
London West	7	2	44	2	43	12
London Central	1	3	46	1	47	3
London East	10	5	47	6	46	4
London South	36	15	45	7	45	23
Berkshire	3	1	40	4	39	46
Milton Keynes, Oxfordshire and Buckinghamshire	4	7	36	5	32	41
Sussex	17	10	39	12	41	45
Hampshire and The Isle of Wight	19	25	30	17	37	40
Kent and Medway	30	11	26	25	35	22
Surrey	5	8	42	3	42	47
Bedfordshire and Luton	41	17	32	10	18	32
Essex	11	21	37	23	31	33
Hertfordshire	6	6	41	8	40	43
Cambridgeshire	9	33	24	11	30	42
Norfolk	35	37	29	42	27	20
Suffolk	21	9	25	22	28	29
West of England	14	12	35	20	34	44
Devon and Cornwall	29	28	23	27	36	25
Bournemouth, Dorset and Poole	12	19	34	28	33	39
Gloucestershire	15	18	6	37	20	30
Somerset	24	26	19	34	17	34
Wiltshire and Swindon	2	4	17	19	25	38
Herefordshire and Worcestershire	20	31	9	30	14	27
Shropshire	18	27	7	41	8	36
Staffordshire	23	36	3	35	4	28
Coventry and Warwickshire	25	42	27	16	1	17
The Black Country	38	38	5	29	12	6
Birmingham and Solihull	37	35	38	15	19	2
Derbyshire	26	16	15	38	2	19
Leicestershire	42	43	2	33	3	35
Lincolnshire and Rutland	22	32	10	46	15	21
Northamptonshire	8	29	31	18	10	26
Nottinghamshire	39	41	18	24	22	18
Humberside	44	44	8	44	5	10
North Yorkshire	16	30	22	14	38	37
West Yorkshire	34	39	13	26	11	14
South Yorkshire	27	20	14	36	16	9
Cheshire and Warrington	13	24	21	21	29	31
Greater Manchester	32	23	28	13	24	15

Table A5: Ranking of labour market indicators (employment growth, structure and unemployment) (continued)

						Rank
	Emp 92-02	Emp 97-02	Emp Bot10	Emp Top10	Emp Manuf	ILO Unemp
Lancashire	28	34	16	40	9	24
Greater Merseyside	40	14	33	31	26	5
Cumbria	45	46	12	39	6	16
Tees Valley	46	45	11	43	7	1
County Durham	31	22	4	45	13	13
Northumberland	47	47	1	47	23	11
Tyne and Wear	43	40	20	32	21	7

Source(s): *See Table A4 and beginning of Annex A.*

Note(s): *Rank 1 is highest growth rate or proportion in Table A3 and 47 is the lowest except for the unemployment rate where rank 1 is lowest and 47 highest.*

Table A6: Occupational structure of employment

	Proportion of total employment %								
	Managers	Prof.	Assoc. Prof.	Admin.	Skilled trades	Personal services	Sales	Ops.	Other
London North	16.7	13.9	17.4	11.9	10.1	6.6	7.7	6.0	9.7
London West	17.8	12.8	18.2	12.6	9.9	6.1	6.9	5.9	9.9
London Central	18.8	14.5	19.9	13.6	7.3	6.0	5.8	4.6	9.5
London East	17.9	14.1	18.2	16.9	8.4	5.2	6.0	4.9	8.4
London South	17.3	13.5	18.1	12.9	10.0	6.5	7.7	4.9	9.2
Berkshire	18.0	12.3	14.9	13.6	10.7	6.3	7.5	6.6	10.1
Milton Keynes, Oxford. & Buckinghamshire	17.6	11.8	14.6	13.6	10.7	6.6	8.0	6.9	10.3
Sussex	17.0	11.5	15.1	15.2	9.5	7.9	7.6	5.8	10.4
Hampshire and The Isle of Wight	17.0	11.6	14.6	13.9	10.9	7.2	7.8	6.2	10.7
Kent and Medway	16.6	10.2	14.1	13.4	11.3	7.5	8.2	7.0	11.7
Surrey	18.0	12.5	15.6	13.7	9.8	7.0	7.5	6.1	9.9
Bedfordshire and Luton	16.0	11.5	13.4	12	12.4	6.7	7.2	8.9	11.7
Essex	16.3	10.2	13.4	13.7	11.6	6.9	8.5	7.9	11.4
Hertfordshire	16.9	11.7	13.9	12.8	12.3	6.4	7.8	7.7	10.5
Cambridgeshire	16.1	12.6	14.4	13.6	10.7	6.9	7.2	7.7	10.8
Norfolk	15.7	10.2	13.5	12.4	12.3	7.6	8.0	8.2	12.1
Suffolk	15.7	9.0	12.9	13.4	11.9	7.3	8.2	8.8	12.8
West of England	14.7	11.7	13.3	13.1	12.4	7.4	8.6	7.9	10.8
Devon and Cornwall	14.4	10.9	13	11.3	12.7	8.5	8.9	7.7	12.5
Bournemouth, Dorset and Poole	14.9	10.6	12.7	13.4	12.2	8.4	9.0	7.3	11.5
Gloucestershire	14.5	9.7	12.0	12.9	14.0	7.4	8.8	8.3	12.5
Somerset	14.4	10.2	12.2	11.4	12.4	8.3	9.8	8.7	12.7
Wiltshire and Swindon	14.8	10.2	12.8	13.3	12.8	7.4	8.6	8.2	11.9
Herefordshire and Worcestershire	13.0	8.9	11.8	12.4	13.1	8.5	9.1	10.4	12.8
Shropshire	13.0	9.7	12.6	13.2	12.6	8.0	8.3	10.7	12.0
Staffordshire	12.9	10.0	12.1	12.0	13.6	7.7	8.1	11.0	12.6
Coventry and Warwickshire	13.8	8.8	11.6	12.6	14.1	7.3	8.4	10.2	13.1
The Black Country	13.1	10.2	12.3	12.5	13.9	7.2	7.7	12.0	11.2
Birmingham and Solihull	13.0	11.1	13.8	14.1	11.6	8.2	7.1	10.3	10.9
Derbyshire	13.6	10.5	11.8	11.9	12.6	8.7	7.5	10.7	12.8
Leicestershire	14.4	10.1	11.9	12.4	12.2	7.5	7.6	11.8	12.1

Table A6: Occupational structure of employment (continued)

	Proportion of total employment %								
	Managers	Prof.	Assoc. Prof.	Admin.	Skilled trades	Personal services	Sales	Ops.	Other
Lincolnshire and Rutland	13.9	9.0	11.5	11.3	13.3	8.7	8.9	10.1	13.2
Northamptonshire	15.1	9.4	11.6	12.6	11.9	7.8	8.3	11.2	12.1
Nottinghamshire	14.4	10.7	12.9	12.2	11.0	9.1	8.4	9.6	11.7
Humberside	13.3	8.7	11.5	11.8	12.6	7.9	9.2	11.4	13.6
North Yorkshire	13.5	9.8	11.8	12.5	11.8	8.2	8.6	9.2	14.6
West Yorkshire	13.7	10.4	12.7	12.9	11.7	7.7	8.5	10.7	11.8
South Yorkshire	12.8	9.9	12.1	12.7	12.7	8.5	8.7	10.2	12.4
Cheshire and Warrington	13.6	10.5	12.4	13.1	12.6	6.8	8.6	10.3	12.2
Greater Manchester	13.5	11.7	13.4	13.4	11.1	7.6	8.1	9.8	11.3
Lancashire	13.3	10.8	13.2	12.8	12.3	7.6	8.3	9.9	11.8
Greater Merseyside	13.1	11.8	14.2	13.8	9.8	8.6	8.9	8.5	11.3
Cumbria	13.3	9.8	12.1	11.3	12.7	7.8	9.5	10.6	12.9
Tees Valley	11.5	9.9	12.8	11.8	12.2	8.1	9.2	10.7	13.9
County Durham	11.6	9.8	11.4	10.8	14.5	7.2	8.6	11.7	14.3
Northumberland	11.1	10.1	12.7	11.0	13.0	8.7	8.3	9.8	15.2
Tyne and Wear	12.0	9.9	12.8	13.4	11.8	7.8	9.3	9.9	12.9

Source(s): *See beginning of Annex A.*

Table A7: Ranking of local LSCs by occupational structure of employment

									Rank
	Managers	Prof.	Assoc. Prof.	Admin.	Skilled trades	Personal services	Sales	Ops.	Elementary
London North	11	3	5	38	40	40	36	42	44
London West	5	5	3	29	42	45	45	43	42
London Central	1	1	1	8	47	46	47	47	45
London East	4	2	2	1	46	47	46	45	47
London South	7	4	4	21	41	42	35	46	46
Berkshire	3	8	8	10	39	44	40	39	41
Milton Keynes, Oxford & Buckinghamshire	6	9	9	9	37	41	31	38	40
Sussex	9	16	7	2	45	15	37	44	39
Hampshire and The Isle of Wight	8	14	10	4	36	33	33	40	37
Kent and Medway	12	29	13	13	33	26	26	37	27
Surrey	2	7	6	7	44	35	41	41	43
Bedfordshire and Luton	13	15	19	37	18	39	43	24	28
Essex	14	25	17	6	31	37	18	32	30
Hertfordshire	10	12	14	24	22	43	32	35	38
Cambridgeshire	15	6	11	11	38	36	42	33	35
Norfolk	16	26	16	33	20	23	30	30	19
Suffolk	17	44	23	15	26	30	27	25	11
West of England	21	13	20	20	17	27	13	31	36
Devon and Cornwall	23	18	22	44	10	8	9	34	15
Bournemouth, Dorset and Poole	19	21	28	16	24	9	7	36	29
Gloucestershire	22	40	38	23	3	28	11	28	16
Somerset	26	28	34	42	19	10	1	26	13
Wiltshire and Swindon	20	27	26	17	9	29	14	29	23
Herefordshire and Worcestershire	41	45	41	34	7	6	6	12	10
Shropshire	40	41	31	18	15	14	25	9	22
Staffordshire	42	33	37	36	5	20	29	6	14
Coventry and Warwickshire	28	46	43	27	2	31	21	15	7
The Black Country	37	30	33	31	4	34	34	1	33
Birmingham and Solihull	39	17	15	3	32	12	44	14	34
Derbyshire	30	23	42	39	14	4	39	10	12
Leicestershire	25	32	39	32	23	25	38	2	20

Table A7 Ranking of local LSCs by occupational structure of employment (continued)

									Rank
	Managers	Prof.	Assoc. Prof.	Admin.	Skilled trades	Personal services	Sales	Ops.	Elementary
Lincolnshire and Rutland	27	43	45	43	6	3	8	17	6
Northamptonshire	18	42	44	28	27	17	24	5	21
Nottinghamshire	24	20	24	35	35	1	20	22	26
Humberside	36	47	46	40	13	16	4	4	5
North Yorkshire	33	37	40	30	29	11	17	23	2
West Yorkshire	29	24	30	22	30	21	19	7	24
South Yorkshire	43	36	36	26	12	7	12	16	17
Cheshire and Warrington	31	22	32	19	16	38	16	13	18
Greater Manchester	32	11	18	12	34	22	28	21	32
Lancashire	34	19	21	25	21	24	22	19	25
Greater Merseyside	38	10	12	5	43	5	10	27	31
Cumbria	35	39	35	45	11	19	2	11	8
Tees Valley	46	35	27	41	25	13	5	8	4
County Durham	45	38	47	47	1	32	15	3	3
Northumberland	47	31	29	46	8	2	23	20	1
Tyne and Wear	44	34	25	14	28	18	3	18	9

Note(s): *Rank 1 is highest concentration of occupations in Table A6 and 47 is the lowest.*
Source(s): *See beginning of Annex A.*

Table A8: Other indicators (demographic and income)

	Rank				(%) pa	Per sq km	(000s)	£s
	Pop. 92-02	Pop. Density	Pop. of Working Age	House-hold Income	Pop. 92-02	Pop. Density	Pop. of Working Age	Household Income
London North	24	3	18	11	0.4	4,316	695	389
London West	13	4	9	5	0.6	4,130	965	469
London Central	25	1	5	1	0.4	9,287	1,085	564
London East	9	2	3	3	0.6	4,608	1,307	491
London South	15	5	13	10	0.5	3,180	880	393
Berkshire	10	16	29	4	0.6	634	543	487
Milton Keynes, Oxfordshire and Buckinghamshire	5	30	14	6	0.7	288	864	428
Sussex	18	26	11	26	0.5	395	929	346
Hampshire and The Isle of Wight	22	23	4	18	0.5	428	1,159	370
Kent and Medway	29	24	7	21	0.3	423	1,014	359
Surrey	26	15	19	2	0.3	637	693	493
Bedfordshire and Luton	8	20	41	15	0.7	458	374	376
Essex	20	22	6	19	0.5	440	1,042	365
Hertfordshire	21	17	22	7	0.5	630	676	423
Cambridgeshire	6	36	33	9	0.7	209	473	399
Norfolk	12	41	31	31	0.6	149	503	333
Suffolk	30	38	37	37	0.3	176	422	326
West of England	27	14	24	17	0.3	741	648	372
Devon and Cornwall	14	40	8	47	0.5	153	991	297
Bournemouth, Dorset and Poole	16	32	36	30	0.5	261	425	334
Gloucestershire	19	35	42	16	0.5	213	363	372
Somerset	7	42	45	39	0.7	145	312	325
Wiltshire and Swindon	4	39	40	14	0.7	176	399	379
Herefordshire and Worcestershire	11	37	34	46	0.6	182	464	308
Shropshire	3	45	46	41	0.8	81	287	324
Staffordshire	34	21	20	35	0.1	444	689	330
Coventry and Warwickshire	31	27	30	8	0.2	389	527	400
The Black Country	45	6	21	32	-0.3	3,020	687	333
Birmingham and Solihull	42	7	16	12	-0.2	2,638	747	388
Derbyshire	32	29	25	22	0.2	364	619	356
Leicestershire	23	25	26	28	0.4	412	586	343

Table A8: Other indicators (demographic and income) (continued)

	Rank				(%) pa	Per sq km	(000s)	£s
	Pop. 92-02	Pop. Density	Pop. of Working Age	House-hold Income	Pop. 92-02	Pop. Density	Pop. of Working Age	Household Income
Lincolnshire and Rutland	1	43	35	45	0.9	108	432	308
Northamptonshire	2	31	38	20	0.8	267	416	364
Nottinghamshire	38	18	23	27	0	470	667	344
Humberside	37	33	28	33	0	247	556	333
North Yorkshire	17	44	32	29	0.5	90	485	339
West Yorkshire	35	11	2	25	0.1	1,025	1,354	347
South Yorkshire	40	12	15	38	-0.2	816	823	326
Cheshire and Warrington	28	28	27	13	0.3	382	564	383
Greater Manchester	44	10	1	24	-0.3	1,946	1,621	351
Lancashire	33	19	12	43	0.1	460	907	322
Greater Merseyside	47	8	10	23	-0.5	2,045	952	351
Cumbria	39	46	44	42	0	72	313	324
Tees Valley	43	13	39	40	-0.3	804	412	325
County Durham	41	34	43	34	-0.2	222	324	332
Northumberland	36	47	47	44	0.1	61	199	314
Tyne and Wear	46	9	17	36	-0.4	1,993	701	329

Note(s): *Rank 1 is highest growth rate, proportion or level and 47 is the lowest, (Pop. = Population).*
Source(s): *See beginning of Annex A.*

Notes

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