



Country Report Wales

2010

Research
Centre

Fact Sheet

- Wales has a population of almost 3 million, accounting for almost 5% of the total UK population.
- The region has a smaller than average working age population, and also a greater than average proportion of pensionable age.
- Manufacturing is the second largest contributor to the Welsh economy producing 18% of output, compared to a UK average of 13%.
- Regional output per head, at £14,853, is the lowest in the UK.

Wales covers an area of 20,733 sq km, stretching from the Isle of Anglesey in the north to Cardiff and the Vale of Glamorgan in the south and from Pembrokeshire in the west to Monmouthshire and Powys in the east. The region covers just under 9% of the land mass of the UK.

Population trends

Wales' population increased 2% from 2003 to 2008, while the UK's population increased 3% over the same period. In 2008, Wales had a population of almost 3 million, which is equivalent to nearly 5% of the total population of the UK. The region ranks tenth out of all the regions in terms of population.

Within Wales, the population of Blaenau Gwent has decreased the most at 0.2%, while Cardiff's population has increased almost 5% and the Vale of Glamorgan's population has grown by just under 4%. The region has a population density of 144 people per sq km which is lower than the UK average of 253 people, and the third lowest of all regions. Cardiff is the most densely populated city in the region, with 2,320 people per sq km.

Age profiles

Wales has an older than average population. In 2008, over 21% of the population were of pensionable age, more than the national average of 19%. The region has a fractionally smaller proportion of under 5s at just under 6%,

in comparison to the UK average of 6%. Conwy has the 'oldest' population, with just under 28% being of pensionable age, while Merthyr Tydfil, Caerphilly, and Newport has the largest percentage of under 5s at just over 6%. Across the region, just over 60% of the population are of working age, below the UK average of 62%, while almost 19% of residents in Wales are under 16, in line with the UK average.

Households

There are almost 1.3 million households in Wales, an increase of over 14% since the early 1990s. Of these households, 73% are owner occupied, compared to a UK average of 70%, while 12% are rented from the local authority, above the UK average of 10%. Average weekly earnings were £445 in the period up to April 2009, which is below the UK average of £489. This is the third lowest average earnings recorded across the whole of the UK. Average weekly household spending is estimated at £407, which is less than the UK average of £460. The Department for Communities and Local Government estimates that the average house price in the region was £150,481 at the end of 2009, implying that Wales is the second cheapest region in the UK. The average house price for the UK as a whole was £200,307.

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Regional Income

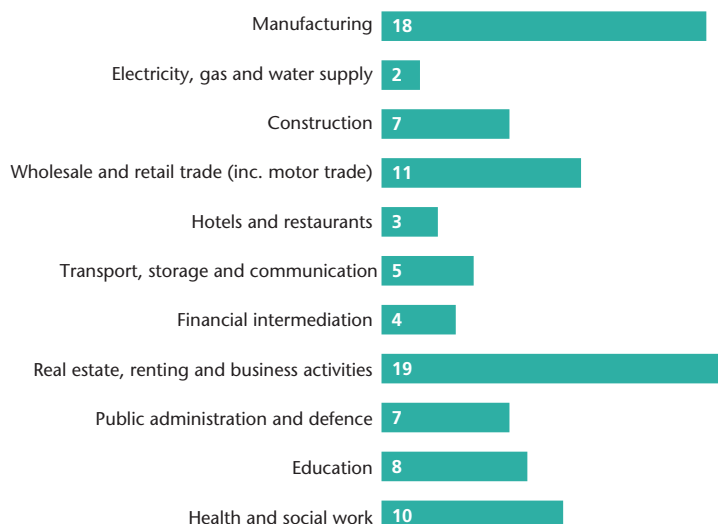
Regional output is commonly measured in terms of gross value added (GVA). Total GVA for the UK increased 6% in 2007 to £1,246bn. Wales produced output worth £44.3bn, which is equivalent to 4% of national output, ranking it tenth out of the 12 UK regions. Wales' output has increased just 53% since 1997, lower than the national increase of 69%. Within the region, Cardiff and the Vale of Glamorgan increased the fastest, by 73%, while Flintshire and Wrexham reported the smallest gain, of only 35%. West Wales and the Valleys is responsible for 54% of the region's total output.

Regional output can also be compared on a per head basis by dividing GVA by the region's population. In 2007, the national average for GVA per head was £20,430, while for Wales this was £14,853, which is 27% below the UK average. The region's GVA per head has increased by 49% since 1997, which is lower than the UK's average growth in GVA per head of 61%. Across the region, GVA per head ranges from just £10,998 on the Isle of Anglesey to £21,195 in Cardiff and Vale of Glamorgan. Over the last 10 years the largest increase in GVA per head was recorded by the Isle of Anglesey, at 66%, while Flintshire and Wrexham achieved the slowest growth, at just 30%.

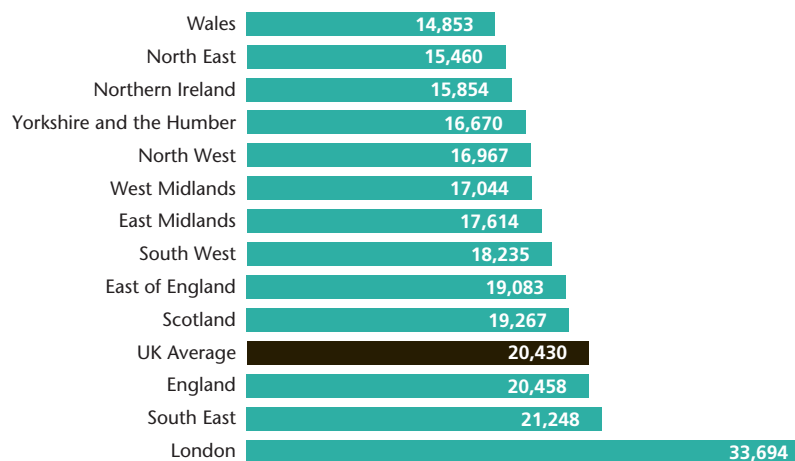
Major Industries

Real estate, renting and business activities, and manufacturing are the largest contributors to the area's output producing 19% and 18% of output respectively. This is followed by

Major Regional Industries (% of output)



Regional output per head in 2007 (£)



wholesale & retail trade, which accounts for a further 11% of output. These three industries produce almost half of the region's output, although real estate, renting and business activities are below the UK average of almost 24%. Construction accounts for a larger proportion of the region's output than the UK average as does health and social work.

Exports

Exports from Wales amounted to £9bn in 2009, which is equivalent to 4% of all UK exports. Machinery and transport account for 30% of the region's total foreign sales, while minerals and fuels account for 24%. The other main export sectors are manufactured goods and chemicals, accounting for 21% and 16% respectively. At present, 57% of Wales' exports go to Europe, 24% to North America and 11% to Asia.

Workforce

Wales has the third least active population in terms of economic activity. Economic activity measures the number of people either in work or actively seeking work. The economic activity ratio for the region currently stands at under 76%, lower than the national average of 79%.

At the end of 2009, 1.3 million people were employed within Wales. The service sector accounted for 83% of total employment. Within that, distribution, transport, finance and business services accounted for nearly 43% of jobs while public administration, education, and health employed a further 41% of people in work. Manufacturing employed 13% of the total workforce, which is well above the average for the UK. Construction related jobs were lower than the national average, at 4%.

At the end of 2009, Wales had an unemployment rate of 8.6%, higher than the UK average of 7.8%. In Wales, almost 4% of all employees have a second job to supplement income which is in line with the UK average. Almost 5% of women have a second job compared to just over 3% of men.

Sources: ONS Regional Trends 2010 Edition, ONS Labour Market Statistics, Department for Communities and Local Government (DCLG)