



Regional Report West Midlands

2010

Research
Centre

Fact Sheet

- The West Midlands is the UK's fifth largest region by population. Growth over the past five years has been below the national average of 3%.
- The region has the second largest proportion of under 16 year olds, representing over 19% of the region's population.
- The West Midlands contributes 6% of UK exports, with machinery and transport accounting for 57% of the region's exports.
- Regional output per head was 17% less than the UK average, at £17,044. This ranks the West Midlands eighth out of the 12 regions in the UK in terms of economic output.

West Midlands

The West Midlands region covers 12,998 sq km, starting at Herefordshire and Stratford-upon-Avon in the south, stretching eastwards to Rugby and heading northwards to North Shropshire and Staffordshire.

Population trends

The West Midlands' population has increased by just under 2% since 2003, while the UK's population increased by 3% over the same period. In 2008, the West Midlands had a population of 5.4 million, which is equivalent to almost 9% of the total population of the UK. The region ranks fifth out of all the regions in terms of population.

Within the West Midlands, the population of Bridgnorth has declined more than 1%, while Oswestry's population has grown by over 6% and Warwick's population has increased by more than 5%. The region has a population density of 416 people per sq km which is 64% higher than the UK average of 253 people. Birmingham is the most densely populated city in the region, with 3,797 people per sq km.

Age profiles

In 2008, almost 20% of the population were of pensionable age, slightly more than the national average. The region's proportion of under 5s is just over 6%

which is slightly higher than the UK average of 6%. South Shropshire has the 'oldest' population, with just over 29% being of pensionable age, while Birmingham has the largest percentage of under 5s at almost 8%. Across the region, 61% of the population are of working age, less than the UK average of 62%, while over 19% of residents in the West Midlands region are under 16 years of age. This is more than the UK average of just under 19%, and is the second largest proportion of under 16s in the UK, behind only Northern Ireland.

Households

There are over 2.2 million households in the West Midlands, an increase of 9% since the early 1990s. Of these households, 71% are owner occupied, compared to a UK average of 70%, while 9% are rented from the local authority, below the UK average of 10%. Average weekly earnings were £457 in the period up to April 2009, which is below the UK average of £489. This is the eighth highest average earnings recorded across the whole of the UK. Average weekly household spending is estimated at £437, 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 £162,830 at the end of 2009, implying that the West Midlands is the sixth most expensive region in the UK. The average house price for the UK as a whole was £200,307.

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Regional Income

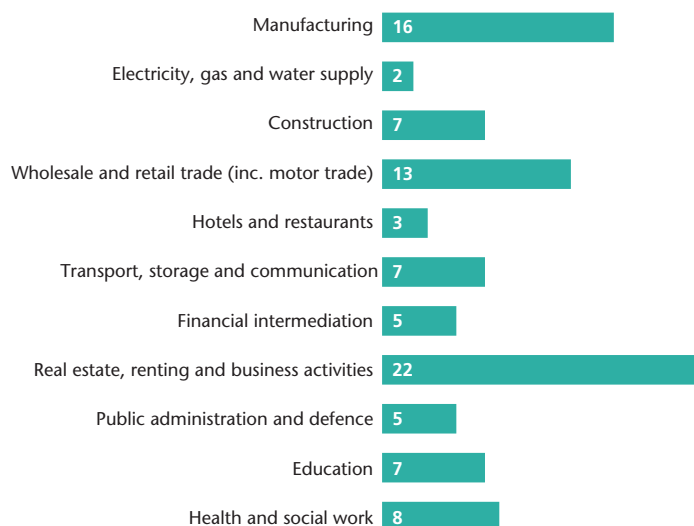
Regional output is commonly measured in terms of gross value added (GVA). Total GVA for the UK increased almost 6% in 2007 to £1,246bn. The West Midlands region produced output worth £91.7bn, which is equivalent to 7% of national output, ranking it seventh out of the 12 UK regions. Within the UK the region achieved the slowest level of growth since 1997, with output increasing by 52%. Within the region, Solihull has grown fastest, at 82%, while Stoke-on-Trent reported the smallest growth, of only 26%. Birmingham is responsible for 21% 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 West Midlands this was £17,044, which is 83% of the UK average. The region's GVA per head has increased by 49% since 1997, which is lower than the UK's average growth of 61%. Across the region, GVA per head ranges from just £14,093 in Shropshire to £22,581 in Solihull. Over the last 10 years the largest increase in GVA per head was recorded in Solihull, at 80%, whilst Stoke-on-Trent reported the slowest growth, at just 31%.

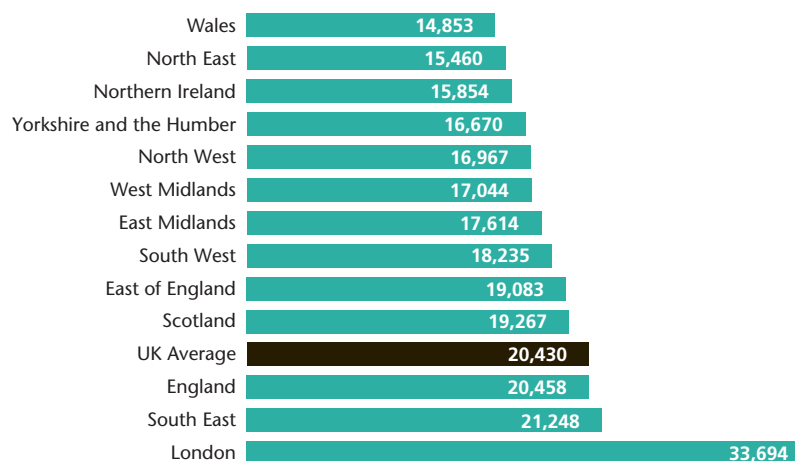
Major Industries

The largest contributor to the area's output is real estate, renting and business activities, which produces 22% of output. This is followed by manufacturing, which accounts for 16%, and wholesale & retail, which accounts for a further 13% of output. These three industries

Major Regional Industries (% of output)



Regional output per head in 2007 (£)



produce over half of the region's output. Construction and manufacturing account for a larger proportion of the region's output than the UK average. Financial intermediation accounts for 5% of total output, which is lower than the national average of 9%.

Exports

Exports from the West Midlands amounted to £13.6bn in 2009, which is equivalent to 6% of all UK exports. Machinery and transport exports account for 57% of the region's total foreign sales. The other main export sector is manufactured goods. At present, 58% of the West Midlands' exports go to Europe, 17% to North America and 15% to Asia.

Workforce

The West Midlands has the sixth most active population in terms of economic activity. Economic activity measures

the number of people either in work or actively seeking work. Economic activity is in line with the national average of 79%.

At the end of 2009, 2.4 million people were employed within the West Midlands region. The service sector accounted for 81% of total employment. Within that, distribution, transport, finance, and business services accounted for 48% while public administration, education, and health employed a further 33%. Manufacturing employed 12% of the total workforce, which is above the UK average, but construction related jobs were lower than the national average, at 5%.

At the end of 2009, the West Midlands had an unemployment rate of 9.4%, which is higher than the UK average of 7.8%. Almost 4% of all employees have a second job to supplement income, which is slightly lower than the UK average. The percentage of women with second jobs is considerably higher than men. Nearly 5% of women have a second job compared to less than 3% of men.

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