

ECONOMIC DEVELOPMENT COMMITTEE EDC 03-03(p1a)

Minister for Economic Development's oral update - 13 February 2003.

In addition to my Written Report, I also raised the following items under Agenda Item 2.

Labour Force Survey (LFS)

The latest employment figures from ONS continue to paint a positive picture for Wales.

- Employment increased in Wales over the last year by 61,000.
- Employment rate amongst the working age increased by 3.1 percentage points to 71.8% in Wales, continuing the pattern of sustained growth seen in recent months. The UK rate increased by 0.3 percentage points to 74.6%.
- Both Claimant Count and Economic Inactivity show a greater relative fall for Wales than for the UK as a whole: compared to a year ago, ILO unemployment was 7.4% lower (down 0.2% in UK) and claimant count was down by 4.4% (down 2.3% in UK).
- The largest falls in claimant count were seen in Anglesey, Gwynedd and Conwy. In total, over 85% of the fall in claimant count in Wales was in West Wales and the Valleys.
- Inactivity among working age people in Wales for the three months to December was down by 48,000 compared to the same period in the previous year; with Wales showing the biggest year-on-year reduction in the inactivity rate out of all the UK regions and devolved countries.

£1bn committed in Objective One monies

The Objective One programme is really starting to have an impact on West Wales and the Valleys. I am delighted to be able to report here in North Wales that a North Wales project, The Centre for Advanced Software Technology and Incubation Facility at Parc Menai, will take the Objective One committed spend through the £1bn barrier.

I am particularly pleased as this project is part of the Technium programme in which I have a personal interest.

Innovation Centre, Ebbw Vale

Work has now started on the Innovation Centre at Ebbw Vale. This has benefited from £1.1m of Objective One funding and will look to lever in innovative sustainable industry into the area. The project, which is part of the steel regeneration package and is managed by UK Steel Enterprise, is a good example of public/private partnership.

Purchasing Managers Index Wales Report

The latest PMI report for Wales gives us cause for optimism in Wales:

- Business activity index above UK average
- Business activity index in Wales is the second highest of all UK regions
- Business activity in Wales has risen in every month except one since the regional series began
- New orders index above UK average