

Minister for Economic Development's update - 14 November 2002

In addition to my Written Report, I also raised the following items under Agenda Item 3.

Labour Market Statistics

Since my report was published the latest set of Labour Market Statistics have been published by the ONS. The figures continued to be good for Wales and can only be described as remarkable.

- Employment in Wales over last year has risen by 33,000 – a rise of 2.6% - a level 4 times faster than for the UK as a whole, and this despite the acknowledged problems being faced by parts of manufacturing.
- On the ILO basis, unemployment has fallen by 3.4% over the past year compared to a rise of 4.1% for the whole of the UK.
- Claimant count figures continued to fall - but by 5.7% in Wales compared to only 1.6% in the UK.
- By far the most significant statistic in the latest survey and an issue that has been brought up by various committee members is that of economic inactivity. Outstandingly, economic inactivity in Wales has fallen by 28,000 compared to last year - more than the figure for the UK as a whole.
- Also very encouraging, is in general the Objective 1 area is improving faster than the rest of Wales.

Bluestone

Yesterday I was pleased to announce a major boost for West Wales and in particular Pembrokeshire. The Bluestone project, a £48m leisure complex project, which will create – subject to planning permission - up to 600 jobs in the area, will attract £16.5m of support from Team Wales, of which £10m will be by way of RSA.

Borg Warner – Margam

I can also announce that Borg-Warner at Margam a company to which 18 months ago we

offered RSA to safeguard the site has recently been offered RSA in respect of creating 55 new jobs. It is extremely good news that this time we're supporting job creation rather than retention and with our support the company is moving forward.

Accelerate Wales

Last night I attended the 'Accelerate Wales' Dinner in the Vale. The 'Accelerate Wales' initiative by the Automotive Forum has undoubtedly been a remarkable success, contributing to the Welsh automotive sector seeing a 23% increase in value added per person. This is in real terms a dramatic increase in productivity. This model we are now looking to roll out over other sectors and is a prime example of public and private sector co-operation for the benefit of the Welsh economy.