

Enterprise, Innovation and Networks Committee

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**Enterprise, Innovation
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Committee**

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I N T R O D U C T I O N

This report provides a summary of the economic and labour market statistics released in recent months.

The report is divided into quarterly and annual data sections. The quarterly data section provides the latest quarterly (or monthly) data and generally shows the change since the previous quarter as well as on the same period in the previous year. The annual data section provides a summary of data compiled on an annual basis that have been released since the last report in February 2006; a summary table of headline indicators is also given in this section.

1 QUARTERLY DATA

1.1 THE LABOUR MARKET

**Table 1 Employment, unemployment and inactivity:
Wales and the UK**

levels in thousands, seasonally adjusted

		Jan - Mar 2005	Oct - Dec 2005	Jan - Mar 2006	Change on:	
					previous quarter	previous year
Employment¹						
Wales	<i>level</i>	1,322	1,329	1,327	-2	5
	<i>rate (%)</i>	71.6	71.9	71.6	-0.3	0.0
UK	<i>level</i>	28,679	28,769	28,896	127	217
	<i>rate (%)</i>	74.9	74.5	74.7	0.2	-0.2
ILO unemployment²						
Wales	<i>level</i>	62	68	65	-3	4
	<i>rate (%)</i>	4.5	4.9	4.7	-0.2	0.2
UK	<i>level</i>	1,409	1,541	1,586	44	177
	<i>rate (%)</i>	4.7	5.1	5.2	0.1	0.5
Economic inactivity³						
Wales	<i>level</i>	443	434	444	10	1
	<i>rate (%)</i>	25.0	24.4	24.9	0.5	-0.1
UK	<i>level</i>	7,890	7,952	7,866	-86	-24
	<i>rate (%)</i>	21.4	21.4	21.2	-0.3	-0.2

1. Levels are for those aged 16 and over, rates are for those of working age (males aged 16-64, females aged 16-59).
2. Levels and rates are for those aged 16 and over. The rate is as a proportion of economically active (employed plus ILO unemployed). The International Labour Organisation (ILO) definition of unemployment covers those who are out of work and want a job, have actively sought work in the last 4 weeks and are available to start work in the next two weeks; plus those who are out of work, have found a job and are waiting to start in the next 2 weeks.
3. Levels and rates are for those of working age (males aged 16-64, females aged 16-59).

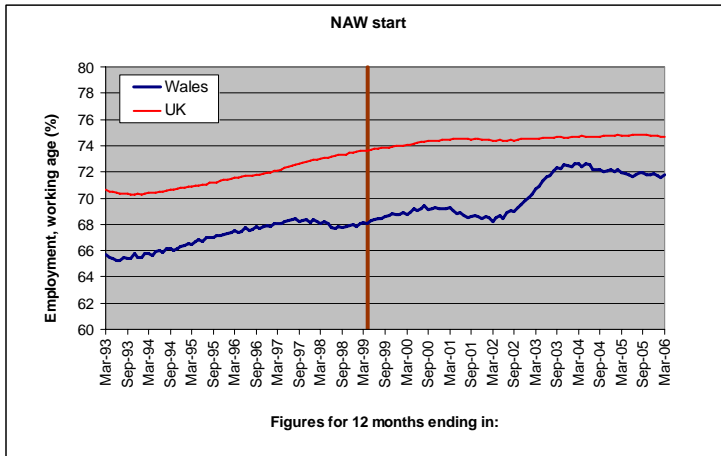
Source: Labour Force Survey (LFS)

For the three months to March 2006:

- The employment level in Wales *increased* by 5,000 over the previous year but *decreased* by 2,000 over the previous quarter. The rate was *unchanged* over the year but *decreased* by 0.3 percentage points over the quarter.
- ILO unemployment (levels and rates) for Wales *increased* over the year but *decreased* over the quarter, whilst economic inactivity levels for Wales *increased* over both the year and the quarter (the rates *decreased* over the year and *increased* over the quarter).
- The employment rate for the UK as a whole *decreased* by 0.2 percentage points over the year, whilst the unemployment rate *increased* by 0.5 percentage points and the rate of economic inactivity *decreased* by 0.2 percentage points.

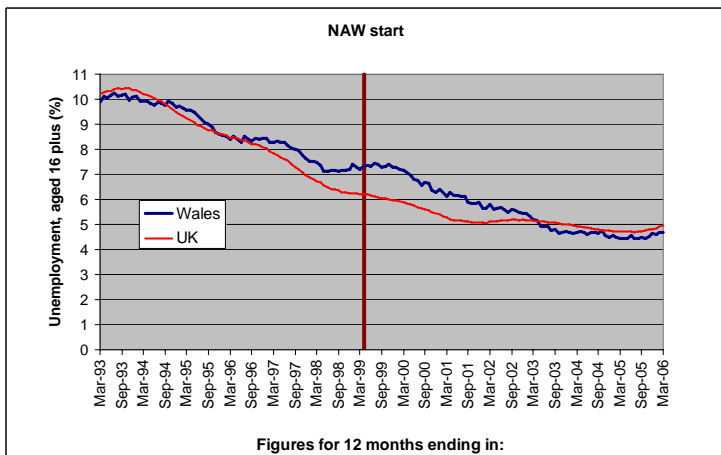
All of the estimates from the LFS are subject to sampling variation, which means that changes over time can be quite volatile, particularly for an area the size of Wales. It is therefore often more appropriate to examine the trend in a particular measure. The trend in the LFS measures given in table 1 can be seen from a 12 month rolling average and longer term results for Wales on this basis are shown in figure 1.

Figure 1 12 month rolling average figures for LFS employment, ILO unemployment and inactivity rates: Wales and the UK



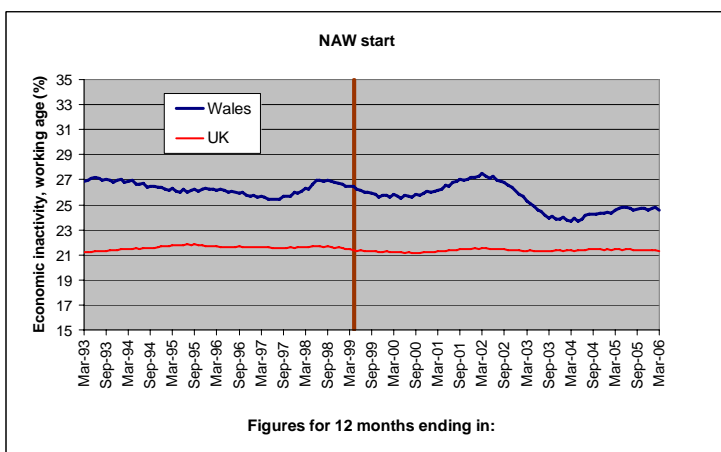
The Welsh employment rate is a little below the peak in mid 2003, but remains well above historical levels.

The employment rate for Wales for the 12 months ending March 2006 was 71.8%, a fall of 0.1 percentage points (pp) over the corresponding period a year earlier but a rise of 3.1 pp over 1999. The UK employment rate was 74.7% in the 12 months ending March 2006, a rise of 0.7 pp over 1999.



The unemployment rate has shown a fairly steady downward trend since the early 1990s but with some signs of an upturn in recent months.

The unemployment rate for Wales for the 12 months ending March 2006 was 4.7%, a rise of 0.2 pp over the year and a fall of 2.6 pp over 1999. The UK unemployment rate was 4.9% in the 12 months ending March 2006, a fall of 1.0 pp over 1999.



The Welsh economic inactivity rate grew over the period 1999 to 2001, before falling in 2002 and 2003. It has since increased slightly.

The economic inactivity rate for Wales for the 12 months ending March 2006 was 24.6%, unchanged over the corresponding period a year earlier but a fall of 1.2 pp over 1999. The UK economic inactivity rate was 21.3% in the 12 months ending March 2006, a rise of 0.1 pp over 1999.

**Table 2 Employment, unemployment and inactivity:
West Wales and the Valleys and East Wales¹**

levels in thousands

		1999	12 months to Feb 2005	12 months to Feb 2006	Change over latest year	Change over 1999
Employment²						
West Wales and the Valleys	<i>level</i>	737	794	794	-0	57
	<i>rate (%)</i>	66.0	69.8	69.5	-0.3	3.5
East Wales	<i>level</i>	477	514	506	-8	28
	<i>rate (%)</i>	74.0	76.0	75.1	-0.9	1.1
Wales¹	<i>level</i>	1,215	1,308	1,300	-8	85
	<i>rate (%)</i>	68.9	72.1	71.6	-0.5	2.7
United Kingdom¹	<i>level</i>	27,043	28,161	28,295	134	1,252
	<i>rate (%)</i>	74.0	74.7	74.6	-0.2	0.6
ILO unemployment³						
West Wales and the Valleys	<i>level</i>	61	42	45	3	-16
	<i>rate (%)</i>	7.7	5.1	5.4	0.3	-2.3
East Wales	<i>level</i>	33	19	19	0	-14
	<i>rate (%)</i>	6.5	3.6	3.6	0.1	-2.8
Wales¹	<i>level</i>	94	61	64	3	-30
	<i>rate (%)</i>	7.2	4.5	4.7	0.2	-2.5
United Kingdom¹	<i>level</i>	1,695	1,395	1,458	63	-238
	<i>rate (%)</i>	5.9	4.7	4.9	0.2	-1.0
Economic inactivity⁴						
West Wales and the Valleys	<i>level</i>	311	287	290	3	-20
	<i>rate (%)</i>	28.4	26.3	26.4	0.1	-2.0
East Wales	<i>level</i>	129	138	143	5	14
	<i>rate (%)</i>	20.8	21.1	22.0	0.9	1.2
Wales¹	<i>level</i>	440	425	433	8	-6
	<i>rate (%)</i>	25.7	24.4	24.8	0.4	-0.9
United Kingdom¹	<i>level</i>	7,539	7,800	7,833	34	295
	<i>rate (%)</i>	21.3	21.5	21.5	0.0	0.2

1. Data for sub-regions of Wales are only available on a quarterly basis and, unlike the headline data in table 1 and figure 1, do not reflect the latest population estimates. This has little effect on the rates but does affect the levels estimates. The data in table 2 above are also annual averages, unlike those in table 1 which are 3 month averages.
2. Levels are for those aged 16 and over, rates are for those of working age (males aged 16-64, females aged 16-59).
3. Levels and rates are for those aged 16 and over. The rate is as a proportion of economically active (employed plus ILO unemployed). The International Labour Organisation (ILO) definition of unemployment covers those who are out of work and want a job, have actively sought work in the last 4 weeks and are available to start work in the next two weeks; plus those who are out of work, have found a job and are waiting to start in the next 2 weeks.
4. Levels and rates are for those of working age (males aged 16-64, females aged 16-59).

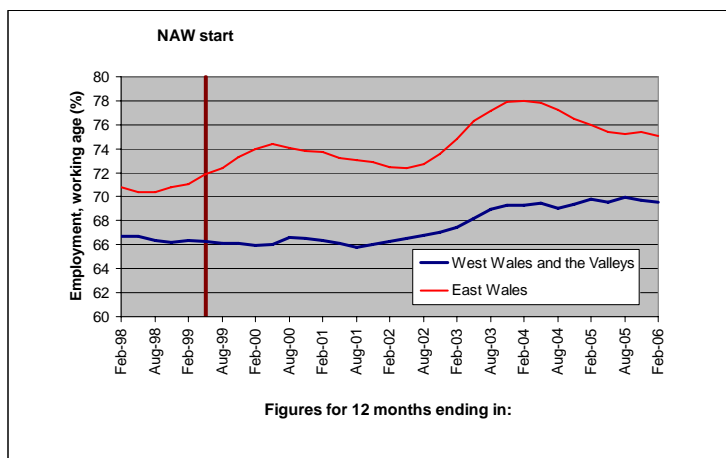
Source: Labour Force Survey (LFS)

The estimates given in table 2 are for the latest 12 month averages available (to February 2006).

- The employment rate in the Objective 1 area (West Wales and the Valleys) was 3.5 percentage points *higher* than in 1999. There was an *increase* of 1.1 percentage points in the rate in East Wales over the same period.
- The unemployment rate in West Wales and the Valleys *fell* by 2.3 percentage points between 1999 and the year to February 2006. The rate in East Wales *fell* by 2.8 percentage points.
- Over the same period the economic inactivity rate *fell* by 2.0 percentage points in West Wales and the Valleys and *rose* by 1.2 percentage points in East Wales.

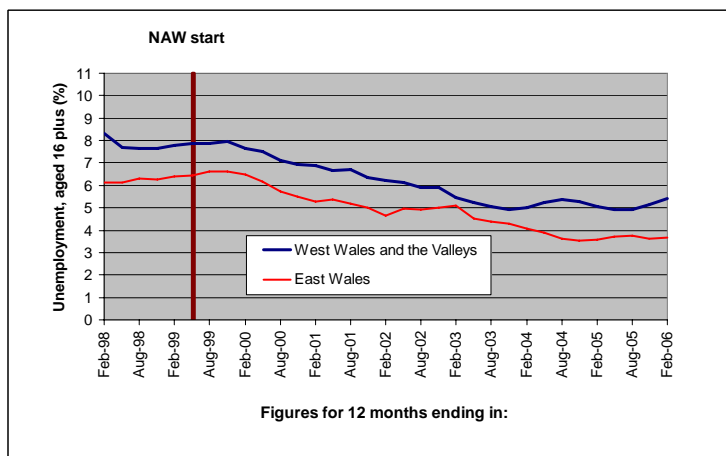
The trend in the LFS measures given in table 2 can be seen from a 12 month rolling average. Longer term results for West Wales and the Valleys and East Wales on this basis are shown in figure 2.

Figure 2 12 month rolling average figures for LFS employment, ILO unemployment and inactivity rates: West Wales and the Valleys and East Wales



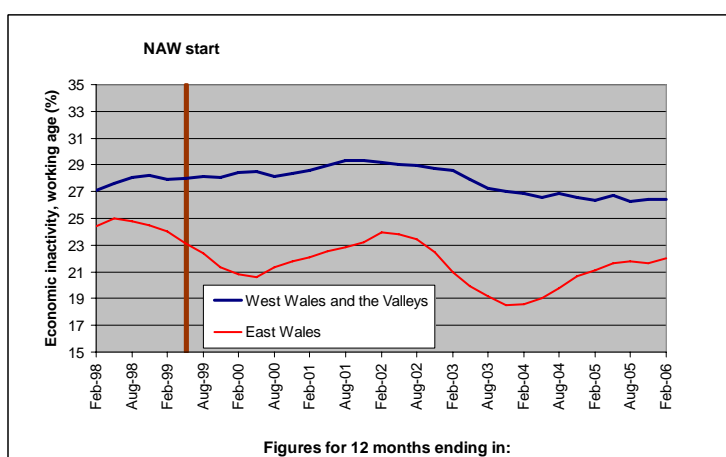
For the 12 months ending in February 2006 the average employment rate in West Wales and the Valleys was 3.5 percentage points (pp) *higher* than the average for 1999. For East Wales the rate was 1.1 pp *higher*.

There has been a fairly steady upward trend in West Wales and the Valleys and a more volatile pattern in East Wales.



For the 12 months ending in February 2006 the average unemployment rate in West Wales and the Valleys was 2.3 percentage points (pp) *lower* than the average for 1999. For East Wales the rate was 2.8 pp *lower*.

The trend in both areas has been generally downward, with a recent levelling off in East Wales, and signs of a recent upturn in West Wales and the Valleys.



For the 12 months ending in February 2006 the average economic inactivity rate in West Wales and the Valleys was 2.0 percentage points (pp) *lower* than the average for 1999. For East Wales the rate was 1.2 pp *higher*.

The trend has been downward in West Wales and the Valleys since 2002. In East Wales, the trend has been upward in 2004 and 2005 having fallen sharply over the previous 2 years.

Table 3 Civilian workforce jobs and employee jobs¹ by industry: Wales

thousands

	December 2004	September 2005	December 2005	Change over:	
				September 2005	December 2004
Not seasonally adjusted:					
<i>Civilian workforce jobs</i>	1,351	..	1,355	..	5
<i>Employee jobs</i>	1,175	..	1,178	..	3
of which:					
Agriculture, forestry and fishing	13	..	12	..	-1
Mining, energy and water supplies industries	7	..	7	..	0
Manufacturing industries	180	..	173	..	-7
Construction	53	..	50	..	-4
Service industries	472	..	475	..	3
Other industries	449	..	461	..	12
Seasonally adjusted:					
<i>Employee jobs</i>	1,170	1,168	1,172	4	2

.. A quarterly change is not shown, as this will be heavily affected by seasonal factors.

1. Workforce jobs and employee jobs are measures of jobs rather than people; if a person holds two jobs, each job will be counted in the total. Workforce jobs and employee jobs data are collected on a workplace basis. Civilian workforce jobs include self-employment and government-supported trainees, as well as employee jobs.

Source: Employer surveys, Labour Force Survey, DfES

- Over the year to December 2005, civilian workforce jobs in Wales *increased* by 0.3%, whilst seasonally adjusted employee jobs also *increased* (up 0.2%).
- Employee jobs in manufacturing industries *fell* by 7,000 (or 3.9%) over the same period, whilst employee jobs in service industries *rose* by 3,000 (or 0.6%).
- 'Other industries' (which include the health and education sectors) had the largest *increase* over the period, *up* 12,000 (or 2.8%), whilst the construction section had the second largest *fall*, *down* 4,000 (or 6.7%).

Table 4 Distribution of employee jobs by industry: Wales

% of total employee jobs, *not* seasonally adjusted

	December 2004	December 2005	Change on December 2004
Agriculture, forestry and fishing	1.1	1.0	-0.1
Mining, energy and water supplies industries	0.6	0.6	-0.0
Manufacturing industries	15.3	14.7	-0.6
Construction	4.5	4.2	-0.3
Service industries	40.2	40.3	0.1
Other industries	38.2	39.2	0.9

Source: Employer surveys

- 40.3% of all employee jobs in Wales were in service industries in December 2005.
- The next largest industry group in terms of employee jobs was 'other industries', with 39.2% of the total. This category is predominantly public administration, education and health, including private sector health and education.
- Manufacturing industries accounted for 14.7% of all employee jobs, a *fall* of 0.6 percentage points on the December 2004 figure.
- Construction industries accounted for 4.2% of all employee jobs, a *decrease* of 0.3 percentage points over the year.

Table 5 Claimant count: Wales and the UK

thousands, seasonally adjusted: workforce¹ based rates

		Apr 2005	Mar 2006	Apr 2006	Change on:	
					previous month	previous year
Wales	<i>level</i>	39.8	45.1	45.5	0.4	5.7
	<i>rate (%)</i>	2.9	3.2	3.3	0.0	0.4
UK	<i>level</i>	839.2	937.8	945.5	7.7	106.3
	<i>rate (%)</i>	2.7	3.0	3.0	0.0	0.3

1. Claimant count rates in this table are calculated using workforce-based denominators. However, claimant count rates for local areas within regions are now calculated using residence-based denominators - please see the footnote to table 6.

Source: Jobcentre Plus administrative system

- In April 2006, the claimant count levels and rates *rose* in both Wales and the UK compared to the same period a year ago.
- The claimant count levels also *rose* compared to the previous month, in Wales and in the UK as a whole.
- In April 2006, the claimant count rate in Wales was 3.3%, 0.3 percentage points *higher* than the corresponding UK figure.

Table 6 Claimant count: West Wales and the Valleys and East Wales¹

thousands, not seasonally adjusted: residence² based rates

		Apr 2005	Apr 2006	Change on previous year
Wales²	<i>level</i>	41.1	46.9	5.9
	<i>rate (%)</i>	2.3	2.6	0.3
West Wales and the Valleys²	<i>level</i>	27.3	31.1	3.8
	<i>rate (%)</i>	2.4	2.8	0.3
East Wales²	<i>level</i>	13.8	15.8	2.1
	<i>rate (%)</i>	2.1	2.4	0.3

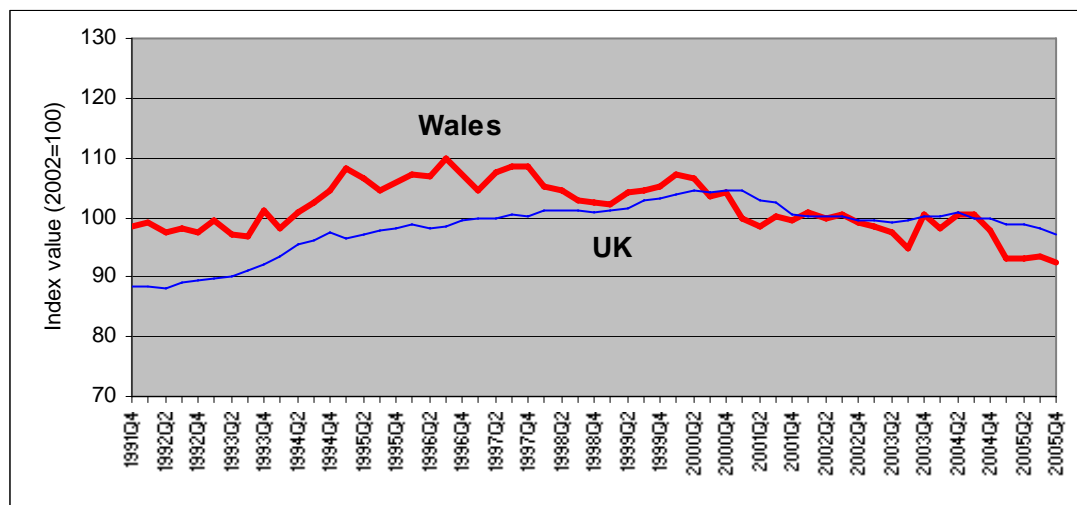
1. The figures in this table are not seasonally adjusted and so the levels are also not comparable to those given in table 5. A monthly change is not shown, as this would be heavily affected by seasonal factors.
2. Claimant count rates in this table are calculated using residence-based denominators, which is now the standard method for calculation of rates for local areas within regions and removes distortions due to commuting flows. Claimant count rates at the regional level are calculated on both a workforce basis (as given in table 5) and a residence basis - they are published on a workforce basis when compared to other UK regions, and on a residence basis when compared to local areas within regions.

Source: Jobcentre Plus administrative system

- In April 2006, the claimant count level *rose* in both the Objective 1 area (West Wales and the Valleys) and in East Wales compared to April 2005.
- The claimant count rate also *rose* in both areas over the same period, with the difference in the rate between West Wales and the Valleys and East Wales *increasing* slightly to 0.4 percentage points.

1.2 THE ECONOMY

Figure 3.1 Index of Production¹: Wales and the UK

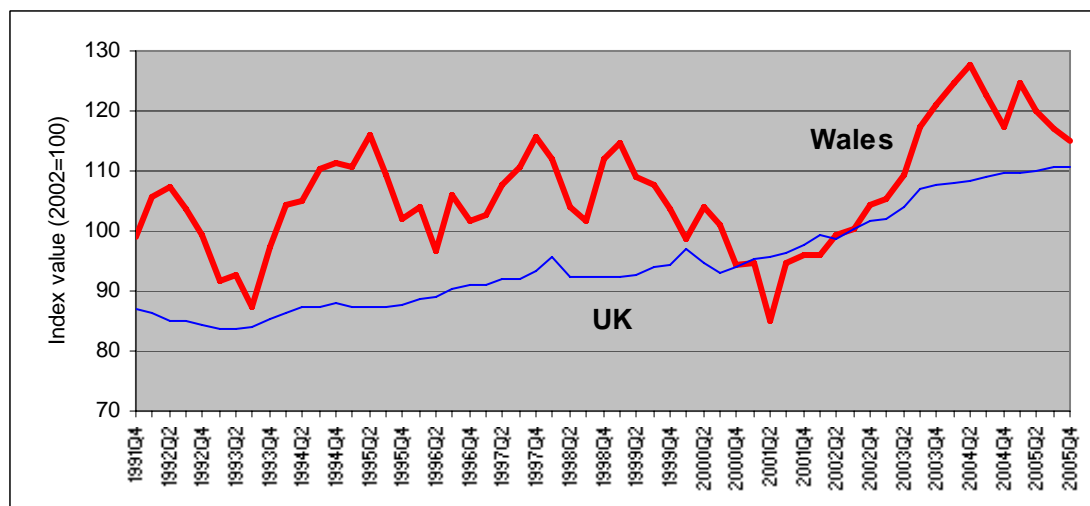


1. Production industries are manufacturing, mining and quarrying and electricity, gas and water.

Source: National Assembly for Wales and ONS

- The Index of Production for Wales for the latest four quarters *fell* by 6.3% compared with the previous four quarters. There was a significant *increase* in the mining and quarrying sector, which was offset by a *decrease* in the manufacturing sector. The UK index *fell* by 1.9% over the same period.

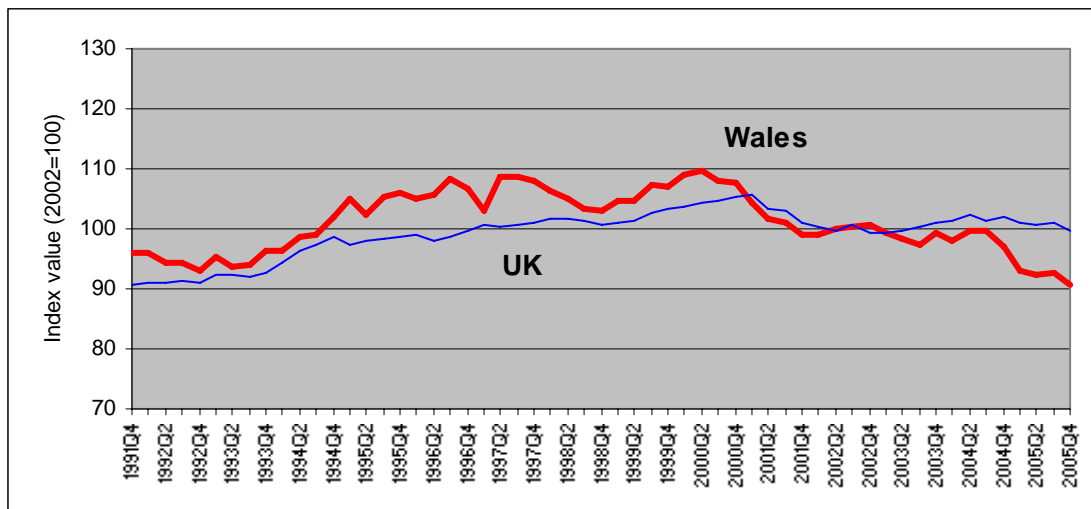
Figure 3.2 Index of Construction: Wales and the UK



Source: National Assembly for Wales and ONS

- Construction output over the latest four quarters *fell* by 3.1% compared with the previous four quarters. There was a *rise* in the UK index of 1.5% during this period.
- Construction output for the latest quarter *fell* by 1.7% compared with the previous quarter. The UK figure showed a *rise* of 0.2% over the same period.

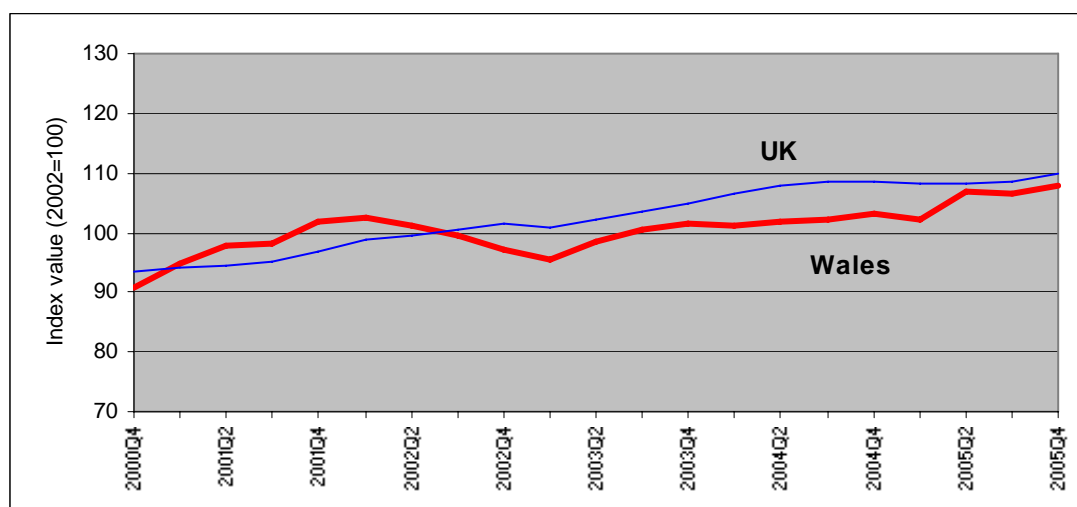
Figure 3.3 Index of Manufacturing: Wales and the UK



Source: National Assembly for Wales and ONS

- Manufacturing output over the latest four quarters *fell* by 6.6% compared with the previous four quarters. Manufacturing output in the UK *fell* by 1.1% during this period.
- Manufacturing output for the latest quarter *fell* by 2.2% compared with the previous quarter. The UK index *fell* by 1.2% over the same period.

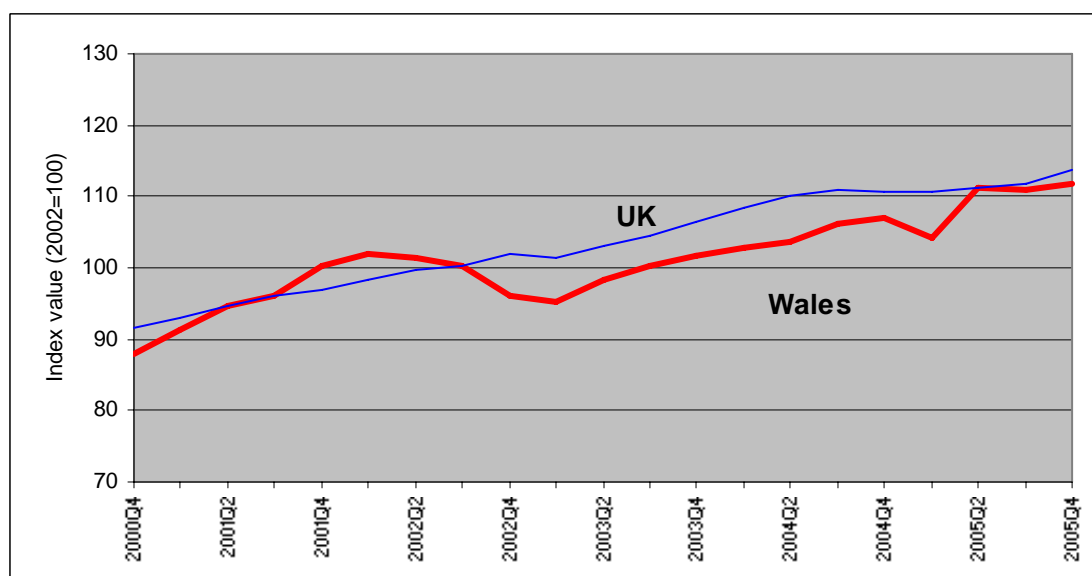
Figure 4.1 Index of Distribution: Wales and the UK



Source: National Assembly for Wales and ONS

- The Index of Distribution for Wales for the latest four quarters *rose* by 3.8% compared with the previous four quarters. There were *increases* in the retail and wholesale sectors, which were partially offset by a *decrease* in the motor trade. The UK index *rose* by 0.7% over the same period.

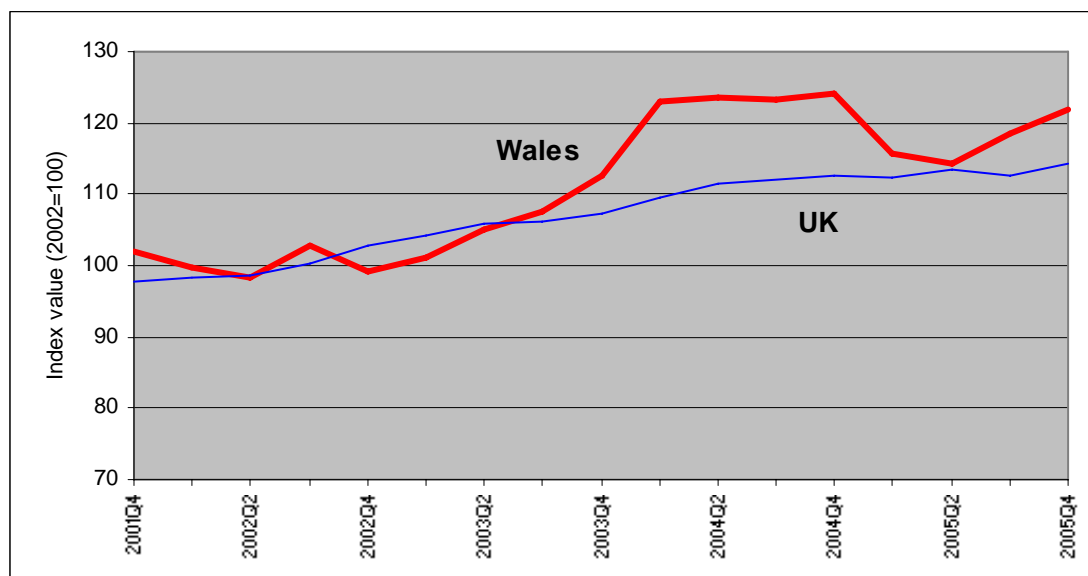
Figure 4.2 Index of Retail: Wales and the UK



Source: National Assembly for Wales and ONS

- Output in the Welsh retail sector *increased* by 4.3% in the latest four quarters compared with the previous four quarters. There was a *rise* in the UK index of 1.7% during this period.
- Retail output for the latest quarter *rose* by 0.7% compared with the previous quarter. The UK figure showed a *rise* of 1.8% on last quarter.

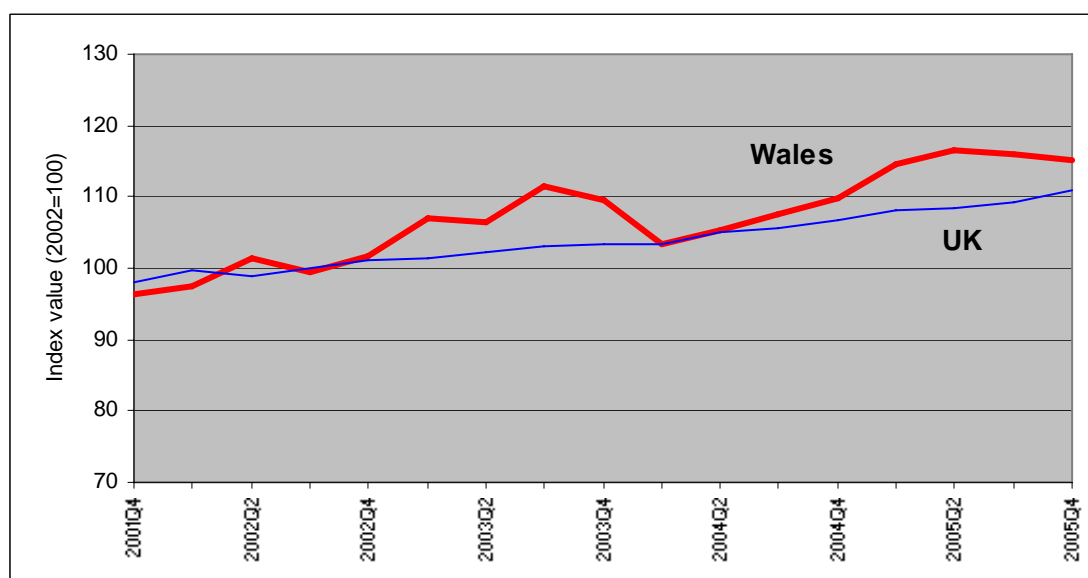
Figure 4.3 Index of Hotels and Restaurants: Wales and the UK



Source: National Assembly for Wales and ONS

- The Index of Hotels and Restaurants for Wales for the latest four quarters *fell* by 4.7% compared with the previous four quarters. There was an *increase* in the restaurants and catering sector, which was more than offset by *decreases* in the accommodation and the pubs and clubs sectors. The UK index *rose* by 1.5% over the same period.

Figure 4.4 Index of Transport, Storage and Communication: Wales and the UK



Source: National Assembly for Wales and ONS

- The Index of Transport, Storage and Communication for Wales for the latest four quarters *rose* by 8.4% compared with the previous four quarters. There were *increases* in the transport support and the post and telecommunication sectors, which were partly offset by a *decrease* in the land transport sector. The UK index *rose* by 3.8% over the same period.

Table 7 Value of exports¹: Wales

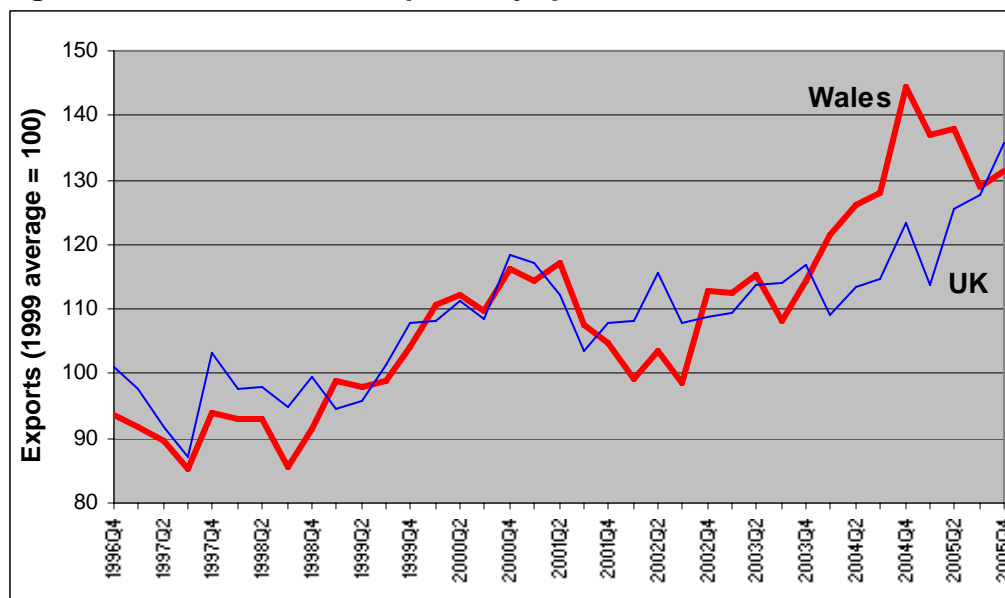
	4 quarters ending Dec 2004	4 quarters ending Dec 2005	Change	
			£m	percentage
Exports to:				
the EU ²	5,492	5,294	-198	-3.6%
the rest of the world ²	2,824	3,260	436	15.4%
Total exports	8,316	8,554	237	2.9%
Total exports for UK regions³	167,983	183,192	15,209	9.1%

	Quarter ending Dec 2004	Quarter ending Dec 2005	Change	
			£m	percentage
Exports to:				
the EU ²	1,496	1,241	-255	-17.1%
the rest of the world ²	813	859	46	5.7%
Total exports	2,309	2,100	-209	-9.1%
Total exports for UK regions³	44,943	49,428	4,484	10.0%

1. HM Customs and Excise figures exclude exports to the rest of the world for which the region of origin cannot be established. Some types of exports are not regionalised, for example oil and 'erratics'.
2. As some types of exports are not regionalised, exports from Wales are compared to the total of all regionalised exports rather than the overall UK total.

Source: HM Revenue and Customs

Figure 5 Value of total exports by quarter: Wales and the UK



Source: HM Revenue and Customs

- The value of total Welsh exports for the 4 quarters ending December 2005 *rose* by 2.9% compared to the 4 quarters ending December 2004. The corresponding figure for the total of the UK regions was a *rise* of 9.1%.
- The value of Welsh exports to the EU *fell* by 3.6% over this period, while the value of exports to the rest of the World increased by 15.4%. The EU still accounts for over 60% of Welsh exports by value.
- The value of total Welsh exports in the fourth quarter of 2005 *fell* by 9.1% on the same quarter in 2004. This compared to a *rise* of 10.0% for the total of the UK regions.
- Looking over the longer term, the value of Welsh exports for the year to quarter 4, 2005 were 33.8% higher than in 1999, compared to 25.6% higher for the total of the UK regions.

2 ANNUAL DATA

Table 8 Headline economic indicators: Wales

	1999	2000	2001	2002	2003	2004	2005
GVA per head¹ (UK=100)	78.5	78.4	78.9	78.6	78.8	79.1	na
Household income per head² (UK=100)	86.6	86.6	86.9	87.4	87.6	88.0	na
Business start-up rate³							
Wales	7.8	8.0	7.6	8.0	8.9	8.7	na
UK	10.4	10.3	9.6	9.9	10.5	10.0	na
Non-agricultural business start-up rate³							
Wales	9.5	9.9	9.2	9.7	10.7	10.4	na
UK	11.2	11.1	10.3	10.6	11.2	10.6	na
Businesses per head⁴							
Wales	452	452	453	455	453	452	450
UK	477	482	487	488	491	494	491
Non-agricultural businesses per head⁴							
Wales	349	350	353	357	356	358	361
UK	434	440	445	447	450	454	453
Gross weekly earnings (£)⁵							
Wales	358.7	372.8	385.8	405.2	421.8	438.7	454.4
UK	407.8	425.1	449.7	472.1	487.1	498.6	517.0
Growth in exports on previous year⁶							
Wales	10.1%	12.2%	-1.0%	-6.8%	8.7%	15.6%	2.9%
sum of UK regions	2.6%	11.5%	-1.2%	0.0%	3.1%	1.5%	9.1%
Business enterprise R&D⁷							
Percentage of GDP	0.7%	0.5%	0.4%	0.5%	0.7%	0.6%	na

na These figures are not yet available.

- Source: ONS, Regional Accounts**
- Source: ONS, Regional Accounts**
- Total and non-agricultural VAT registrations as a percentage of the start year (1 January each year) stock of VAT registered businesses.
Source: Small Business Service (SBS)
- Start year stock (1 January each year) of VAT registered businesses per 10,000 population of working age.
Source: SBS (ONS for population)
- Gross weekly earnings for full-time persons on adult rates, figures relate to April each year. Since the 2004 survey, a new questionnaire has been used and supplementary information has been collected in order to improve coverage to make the survey more representative. This includes information on businesses not registered for VAT and for people who changed or started new jobs between sample selection and the survey reference period, as well as better information on non-basic pay. The ASHE results since 2004 are therefore discontinuous with earlier results.
Source: ONS, Annual Survey of Hours and Earnings (ASHE)
- Growth in the total value of exports, EU plus non-EU, over the previous year.
Source: HM Customs and Excise
- Source: ONS, Business Enterprise R&D Survey and Regional Accounts**

Table 9 Gross Disposable Household Income: UK countries and English regions, 1995 to 2004

	Index (UK excluding extra-regio = 100)									
	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004 ²
UK excluding extra-regio ²	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
England	101.4	101.6	101.8	101.9	102.0	102.0	102.0	101.8	101.8	101.7
Wales	90.2	88.9	87.8	87.0	86.6	86.6	86.9	87.4	87.6	88.0
Scotland	95.8	95.4	94.7	94.0	93.4	93.3	93.3	93.9	94.3	94.5
Northern Ireland	88.6	87.3	86.3	86.0	85.6	85.6	85.5	85.6	85.5	85.7
North East	87.9	87.2	86.7	86.1	85.5	84.9	84.5	84.8	84.8	85.1
North West	92.5	92.3	92.3	92.2	92.1	91.7	91.4	91.3	91.2	91.5
Yorkshire and the Humber	92.6	92.4	92.3	92.4	91.8	91.5	90.8	90.8	91.0	91.3
East Midlands	93.1	93.0	92.7	92.4	91.8	91.6	91.8	92.1	92.6	93.0
West Midlands	92.4	92.1	91.8	91.5	91.5	91.4	91.2	91.2	91.2	91.5
Eastern	106.4	106.7	106.6	106.4	106.6	107.1	108.0	108.5	108.4	108.4
London	119.5	119.9	120.7	121.5	122.5	122.7	122.0	120.8	120.3	119.4
South East	110.8	112.1	113.2	114.0	114.2	114.4	114.9	114.9	114.7	114.4
South West	100.6	100.5	100.0	99.7	99.5	99.2	99.4	99.3	99.4	99.3

1. Gross Disposable Household Income (GDHI) is a measure of the income of all households (and non-profit institutions serving households, e.g. charities and universities) in the area concerned, based on total income including social security receipts, less taxes and social security contributions, including council tax. The data represent income available for consumption expenditure and savings.

The figures in the table are based on the GDHI per head in each region, indexed to the UK less extra region = 100. A figure of below 100 indicates lower than average GDHI, while a figure above indicates higher than average GDHI.

2. Data are provisional.

3. The UK total excluding any elements of household income that cannot be assigned to specific regions, i.e. elements that are extra-regio. It is the total of the English regions and the three devolved administrations and is the most appropriate aggregation to use when making comparisons between the regions and the UK.

Source: ONS, Regional Accounts

- Headline gross disposable household income (GDHI) per head in Wales in 2004 was £11,278 or 88.0 per cent of the UK average, its highest relative level since 1996. Having declined between 1995 and 2000, this proportion has increased in each of the last 4 years.
- Headline GDHI per head increased by 3.2% in Wales in 2004, the highest growth out of the UK countries and English regions.
- Between 1999 and 2004, headline GDHI per head in Wales increased by 25.6 per cent, a bigger increase than the UK as a whole (23.6 per cent) and second only to the East of England (25.7 per cent).
- GDHI per head in Wales in 2004 was the 3rd lowest amongst the devolved countries and English regions, after the North East and Northern Ireland. This ranking for Wales has not changed across the whole period 1995 to 2004.

Table 10 Gross Disposable Household Income: Wales sub regions, 1995 to 2004

	Index (UK excluding extra-regio = 100)									
	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004 ²
UK excluding extra-regio ³	100	100	100	100	100	100	100	100	100	100
Wales	90	89	88	87	87	87	87	87	88	88
West Wales and The Valleys	89	87	86	86	85	85	85	85	85	86
Isle of Anglesey	91	89	88	88	87	86	86	86	86	87
Gwynedd	86	84	82	81	81	81	82	83	84	85
Conwy and Denbighshire	97	97	96	95	94	93	92	92	92	92
South West Wales	89	88	86	85	83	81	81	81	81	82
Swansea	92	90	89	88	88	88	90	90	91	91
Bridgend and Neath Port Talbot	94	93	92	91	91	90	89	89	89	89
Central Valleys	78	77	76	76	76	77	78	80	81	82
Gwent Valleys	86	85	84	84	84	84	84	84	84	85
East Wales	93	92	90	89	90	90	90	91	91	91
Flintshire and Wrexham	93	92	91	90	90	90	90	91	91	91
Powys	86	84	83	82	83	85	87	88	89	90
Cardiff and the Vale of Glamorgan	94	92	91	90	90	90	91	91	91	91
Monmouthshire and Newport	95	94	92	91	92	92	93	93	93	93

1. Gross Disposable Household Income (GDHI) is a measure of the income of all households (and non-profit institutions serving households, e.g. charities and universities) in the area concerned, based on total income including social security receipts, less taxes and social security contributions, including council tax. The data represent income available for consumption expenditure and savings.

The figures in the table are based on the GDHI per head in each region, indexed to the UK less extra region = 100. A figure of below 100 indicates lower than average GDHI, while a figure above indicates higher than average GDHI.

2. Data are provisional.

3. The UK total excluding any elements of household income that cannot be assigned to specific regions, i.e. elements that are extra-regio. It is the total of the English regions and the three devolved administrations and is the most appropriate aggregation to use when making comparisons between the regions and the UK.

Source: ONS, Regional Accounts

- Within Wales, the estimates for 2004 show that GDHI per head in East Wales and West Wales and the Valleys (the two Welsh NUTS2 areas) were 91 per cent and 86 per cent of the UK average respectively.
- The estimates for the sub-areas within these NUTS2 areas (known as NUTS3 areas) show that Monmouthshire and Newport had the highest GDHI per head in Wales in 2004 (93 per cent of the UK average). The Central Valleys (Rhondda, Cynon, Taff and Merthyr Tydfil) area and South West Wales had the joint lowest GDHI per head in 2004 (82 per cent of the UK average).