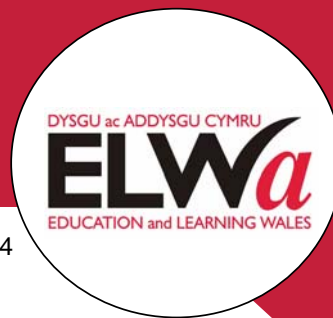


Learning and Labour Market – South East Wales



SHEET NUMBER: 3

RELEASE DATE: December 2004

CONTENTS

1. Macroeconomic Indicators	2. Labour Demand	3. Labour Supply
4. Educational Flows	5. Qualifications	6. Summary Databank

1. MACROECONOMIC INDICATORS

United Kingdom

Recovery in world economic activity has been strong and the near-term prospects are good. At home the UK economy is experiencing the longest period of sustained low inflation since the 1960s. Latest ONS figures show that GDP growth during the second quarter of 2004 averaged 3.7% (annual rate). In the labour market, conditions are tight with unemployment at just 4.8%.

Consumer confidence is high with retail sales to June up 6.9%. However, with the economy now at or close to full capacity, it is widely believed that any further increase in domestic demand is unsustainable and can only result in inflationary pressures. In the year to May 2004 average earnings rose 4.4% while growth in RPI was 3%.

There are particular concerns about levels of consumer debt. A significant proportion of this is linked to inflation in the housing market, which accelerated during 2002 and again in 2004. Fears about inflationary pressures and a speculative bubble in the housing market has prompted the Monetary Policy Committee to raise base rates by 1¼ percentage points (to 4¼ % as of Sept 2004) since this time last year.

Not all inflationary pressures are within the control of domestic macroeconomic policy and recent increases in crude oil prices to over US \$40/ barrel are potentially damaging to global recovery and economic growth in oil dependent nations. A prolonged hike in energy prices could undermine recent economic progress feeding higher consumer prices and encouraging wage pressures, rising interest rates, and lower output growth.

Wales

There are indications that economic growth in Wales has been less robust than in the UK generally with production and construction output stagnant or falling slightly during 2003. GVA¹ per capita in Wales is just 79% of the UK average, but there is significant intra-regional variation. In West Wales and the Valleys, GVA per capita is two thirds of the UK average while South and East Wales exhibit near parity with the rest of the UK (Table 1). Cardiff and the Vale of Glamorgan have experienced the greatest relative improvements in recent years. Not unexpectedly outside this core area, growth has been less spectacular (Table 2).

¹ GVA or "gross value added" is the term now in use to denote estimates that were previously known as gross domestic product (GDP) at basic prices.

Learning and Labour Market - South East Wales

Table 1: Relative GVA per head: % UK

	1995	1998	2000	2001	2002
England	102	102	103	103	103
Scotland	100	97	95	94	95
Northern Ireland	80	79	79	79	79
Wales	84	80	79	79	79
West Wales & Valleys	74	69	67	67	-
East Wales	101	99	100	100	-

Table 2 GVA per Capita South-East Wales; % UK. NUTS 3 Areas

	1995	1998	1999	2000	2001
Cardiff and Vale of Glamorgan	106	106	108	109	111
Monmouthshire and Newport	91	95	98	100	101
Gwent Valleys	69	65	64	63	62

Source: National Statistics (Crown Copyright)².

Employment

There are approximately 1.3 million jobs in Wales which account for slightly less than 5% of the total for Great Britain. Employment growth in Wales has been higher than the rest of Great Britain since the turn of the millennium, with around 80,000 more people in employment in Wales in 2004. This is an increase of 6.5% on the 2000 total, compared with the 2.3% increase in Great Britain as a whole.

One of the main areas of employment growth has been South East Wales, which accounts for one half of all employment in Wales and has exhibited the highest employment growth with a 7.7% increase in employment (45,000 jobs). There are an estimated 626,000 jobs in South East Wales, three-quarters of which are full-time (Table 3).

Comment [E1]: Source: labour force survey - quarterly: four quarter averages - numerator for employment rate: all people aged 16+

² Many of the data sources referred to in this factsheet (e.g. LFS, NES, ABI) are products provided by National Statistics. Unless otherwise stated, they are within the public domain and can be accessed at <http://www.statistics.gov.uk>

Learning and Labour Market - South East Wales

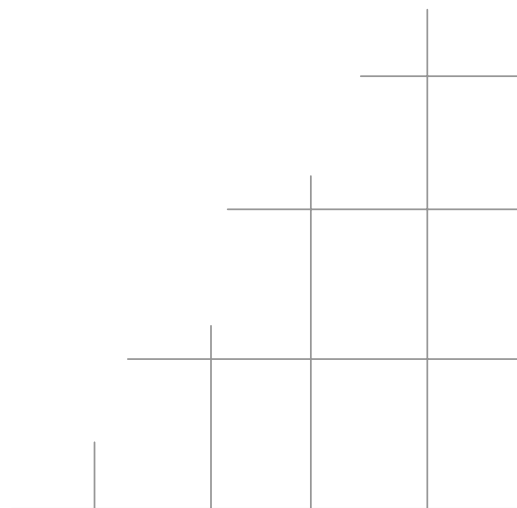
Table 3: Employment in South East Wales, 2003/04

	Total Employment (000)	Jobs full-time (%)
Blaenau Gwent	27	75.9
Bridgend	55	73.2
Caerphilly	69	72.6
Cardiff	154	76
Merthyr Tydfil	22	69
Monmouthshire	45	73.2
Newport	58	72.8
Rhondda, Cynon, Taff	95	77.9
Torfaen	42	74.2
Vale of Glamorgan	59	72.3
South East Wales	626	74.5

Source: LFS Quarterly Survey (Sep 2003-Aug 2004)

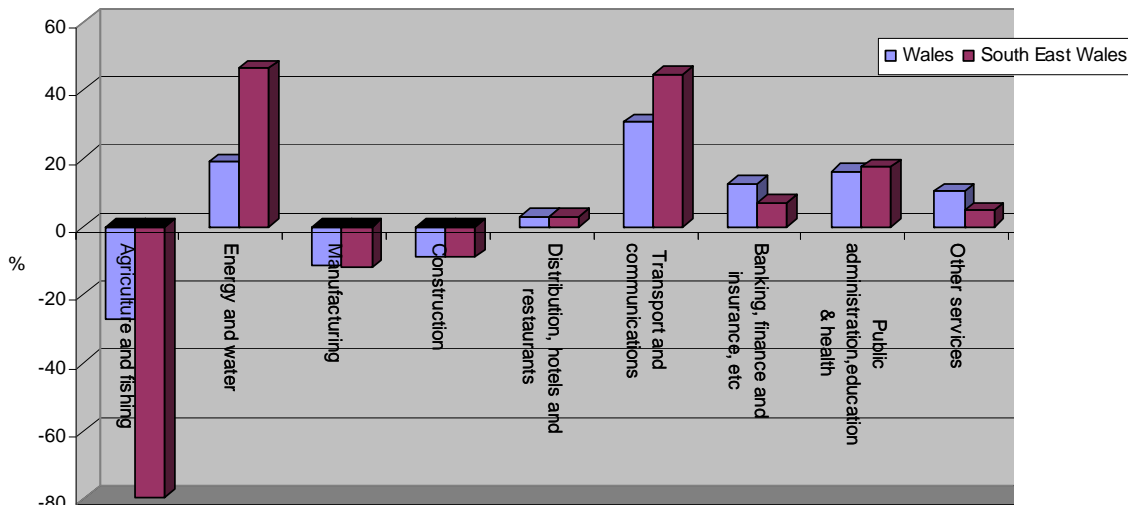
Figures from the ABI (Annual Business Inquiry) suggest that between 1998 and 2002, the number of employees in employment in South East Wales increased by 5.3%, slightly lower than the Welsh average (5.5%). Like the rest of Wales, most of this growth was concentrated in the service economy (Figure 1). In absolute terms, the increase translates into nearly 29,000 jobs though the make-up of this change gives cause for concern about the fundamentals of the South East Wales economy. Among the local economy's employment losses are some 14,000 manufacturing jobs and 2,400 construction jobs. By way of compensation, employment in Transport and Communications grew by some 8,700. However, by far the largest contributor to employment was the public sector with nearly 26,000 jobs net additional jobs in Public Administration, Education and Health.

EDUCATION and LEARNING WALES



Learning and Labour Market - South East Wales

Figure 1. Employment change by industry in South East Wales, % change 1998-2002



Source: Annual Business Inquiry³

Other key features of employment conditions in South East Wales are:

- 70.2% of the working age population of the region are employed compared to the Welsh average of 72.1%.
- Employment rates among 16-19 year olds are slightly higher than in Wales generally (54.5 compared to 53.2), while participation in full-time education is 1 percentage point lower.
- The employment rate for males is lower than the all Wales rate with 74.5% of working males in employment in South East Wales compared with 75.9% for Wales. The situation is similar for females with 65.7% of females in South East Wales in employment compared to a female employment rate of 68.1% for Wales overall.
- South East Wales has the lowest self-employment rate of all the regions with less than 9% of employed adults being self-employed, compared with a rate of 12.4% for Wales and 12.7% for Great Britain.
- 37.5% of the employed population of working age in South East Wales is qualified to NVQ 3 and above - the average for Wales being 36.6%. At higher thresholds 22.8% have attained or exceeded NVQ level 4 compared to (Wales-17.7%, 21.1% for those of working age in employment).
- Rates of job related training however, exhibit no particular departure from the situation in Wales generally, at just over 13% for males and 15% for females.

³ The ABI is unsuitable for evaluating employment trends in farming and consequently, the data in Figure 1 for agricultural and fishing are unlikely to be that meaningful. Readers interested in employment in agriculture and other land-based industries should visit the online websites referenced in the databank section of this publication.

Learning and Labour Market - South East Wales

Earnings

Results from the 2003 New Earnings Survey (NES) were presented in the November 2003 factsheets. These data have not been updated on this occasion as the New Earnings Survey has been discontinued and replaced by the Annual Survey of Hours and Earnings. It is anticipated results from this new survey will be available for reporting in the next update of this factsheet. In the meantime selected data for 2004 are taken from the Labour Force Survey as a means of temporarily updating the earnings data. However it should be noted that LFS data are not strictly comparable with those from the NES.

The Welsh workforce is among the lowest paid in Britain. In April 2003, average weekly full-time earnings in Wales were £414 compared with £483 for England and £437 for Scotland. It is not just that Wales has more people at the bottom end of the pay distribution, **but it also has fewer at the top end.** In Wales, 21% of full time employees earn less than £250 per week while 31% earn more than £460. The corresponding proportions for England are 16% and 40% respectively. These figures also disguise important differences between genders. In Wales full time women earn on average £357 per week, which is 80% of the corresponding male figure and 89% that of women in England. There are also significant differences between the average wages of different occupations. Based on the SOC 2000 definition workers in professional occupations in Wales have the highest average wages at £625, while workers in sales and customer service occupations earn just £266. In England it is managers and senior officials who have the highest average pay at £759 per week while those who work in personal service occupations have the lowest weekly earnings at £283.

There are also significant pay differences within Wales, with employees in North and South East Wales on average earning more than their equivalent in Mid and South West Wales (Table 4). For example, in 2003 the average full-time employee in Mid Wales earned £27 per week less than the average Welsh worker and £89 less than the average British worker. In South East Wales, the average full-time worker earned £15 per week more than the Welsh average and just £47 less than the full-time all-Britain average.

Table 4: Average gross weekly earnings in 2003

	Full-time earnings (£ per week)	All Earnings (£ per week)
Mid Wales ⁴	387	307
North Wales	399	326
South East Wales	429	364
South West Wales	398	331
All Wales	414	346
Great Britain	476	395

Source: New Earnings Survey (Workplace basis)

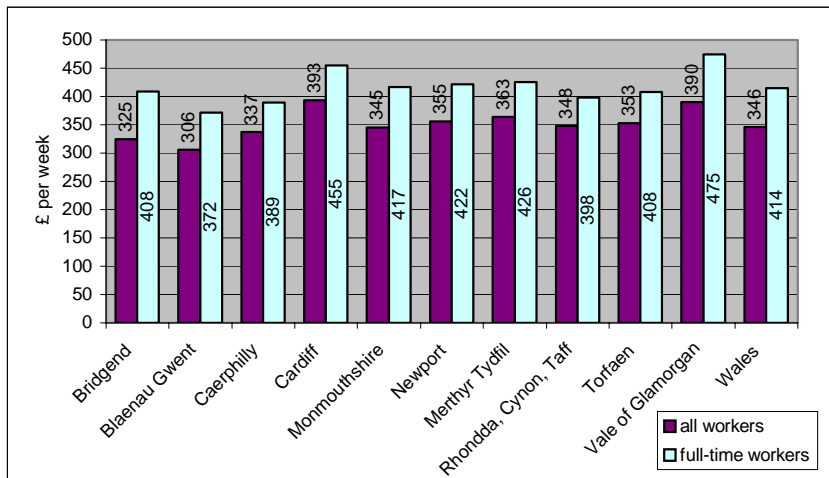
⁴Unless otherwise stated, Welsh regions are defined as ELWa regions. This means that Meirionnydd in Gwynedd is included within the Mid Wales region.

Learning and Labour Market - South East Wales

The 2004 data from the LFS (Summer quarter) confirms that average weekly earnings Wales (£382) remain below the rest of Great Britain (£448), excluding the North East region (£370). Average weekly earnings for men are the lowest of any region at £400, compared to £490 for the whole of Great Britain. For women in Wales the corresponding average is £354 compared to £377 for Great Britain as a whole, but women in Wales do earn more on average than women in the North East, the North West, the East Midlands, the South West and Scotland.

Differences in economic geography and in labour demand are responsible for these spatial variations in pay, which are also evident at the local level. In South East Wales, the variation in average pay across unitary authorities is quite striking. The best paid jobs are seemingly located in the Vale of Glamorgan where average full-time earnings are well above the Welsh average and on a par with the average British wage. In contrast full-time workers in Blaenau Gwent earn on average over £100 per week less than those in the Vale of Glamorgan and £42 per week less than the Welsh average (Figure 2).

Figure 2. Average gross weekly earnings in South East Wales, 2003



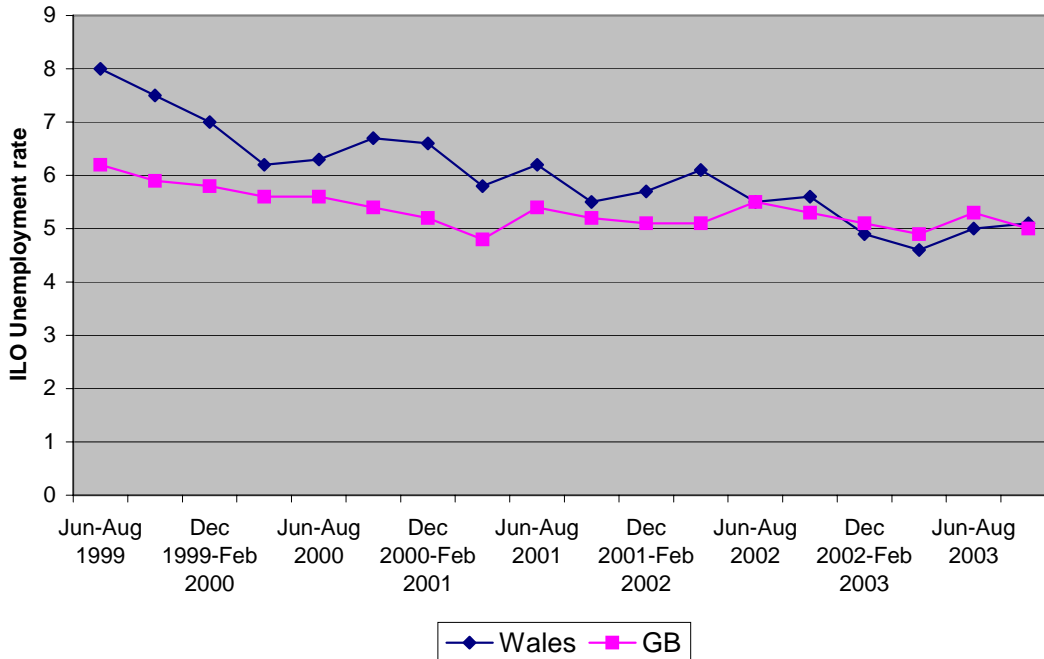
Source: New Earnings Survey (Workplace basis)

2. LABOUR DEMAND

Since 1999 unemployment in Wales has been falling more rapidly than in the rest of Britain and the unemployment rate gap, which previously existed between Britain and Wales, has been eliminated. In fact, Welsh unemployment (ILO basis) in the Autumn quarter of 2003 was just 5% of the working age population and marginally higher than the Great Britain average (Figure 3). However, if the density of jobs is considered (ratio of jobs to working age population), Wales has a lower density (0.73) than either England (0.84) or Scotland (0.82).

Learning and Labour Market - South East Wales

Figure 3. ILO unemployment in Wales and Great Britain.



Source: QLFS, Nomis. Data from June 1999 to November 2003.

The rate of unemployment does vary considerably by age. Between September 2003-August 2004 the unemployment rate for young people (16-24) was 12.3%, about four times the rate for those aged 25-49 (3.3%) and those aged above 50 (2.9%). A similar distribution is also observed for England and Scotland.

The Future Skills Wales Survey was undertaken in 2003 and some of what is reported below replicates information given in an earlier factsheet. However, this section has been supplemented with additional data, particularly at the unitary authority level. The Future Skills Wales 2003 project finds that the proportion of employers reporting hard-to-fill vacancies has more than halved since 1998 and currently stands at 14%. Yet this figure lies above that for England at 7%. The main cause of hard to fill vacancies was that applicants lacked the suitable skills required (25% of establishments). The main consequence of these hard to fill vacancies was the loss of business to competitors (16% of establishments). The main response to having hard to fill vacancies was to expand the recruitment channels (40% of establishments). Understanding customer needs, the ability to follow instructions, communication and teamwork are among the skills most required by employers.

In September 2004 the distribution of vacancies notified to job centres varied considerably between England and Wales. Wales has a greater proportion of vacancies in manufacturing (8%), distribution, hotels and catering (26%) and particularly in public administration, education and health (25%). Conversely relative to England, Wales has fewer vacancies in banking and finance (28%).

A shortage of people with the necessary skills or experience is the most common reasons given by employers for "hard to fill" vacancies. However, many employers,

Learning and Labour Market - South East Wales

especially in North and South West Wales also believe their inability to attract staff is due to unattractive conditions of pay (Table 5).

Table 5: Hard-to-fill vacancies in Wales, 2003

Percent of hard to fill vacancies attributed to

	% of vacancies hard-to-fill	"lack of relevant skills"	"lack of relevant experience"	"unwilling to work at market rate"	"lack of Qualifications"
North Wales	65	31	27	29	14
Mid Wales	68	32	19	19	14
South East	57	31	24	22	17
South West	69	34	20	29	16

Source: Future Skills Wales, 2003 Survey. (Provisional estimates)

The most common employer response to hard-to-fill vacancies is to widen recruitment channels and to broaden the geography of search. **Only 6% of employers** seem to consider training or personal development as a solution. Yet two thirds of individuals maintain they would like to be involved in some form of learning – particularly recognised, career related learning, while 80% of unemployed people report a desire to participate in learning and work associated skills development.

Table 6: Vacancies by unitary authority, 2003.

	% of employers reporting vacancies	% of employers reporting hard to fill vacancies	% of employers reporting skills gaps	% of employers providing off the job training in the last 12 months
Bridgend	25	15	20	49
Blaenau Gwent	19	10	23	47
Caerphilly	16	9	22	47
Cardiff	26	14	20	55
Monmouthshire	24	15	14	57
Newport	21	11	13	50
Merthyr Tydfil	18	11	19	51
Rhondda, Cynon, Taff Vale of	24	14	14	53
Glamorgan	18	10		
Wales	22	14	19	53

Source: Future Skills Wales, 2003 Survey.

Caerphilly has the lowest proportion of employers reporting vacancies or hard to fill vacancies. In contrast the highest rate of vacancies are in Cardiff and Bridgend (Table 6). Newport, Monmouthshire and the Vale of Glamorgan all have a lower percentage of employers reporting skills gaps than the Welsh average. Just over half of all establishments in Wales have undertaken off the job training in the last year, which is greater than the corresponding figure for England (35%).

Learning and Labour Market - South East Wales

3. LABOUR SUPPLY

Participation

The prosperity of the economy depends upon the ability and willingness of its population to engage in economic activity. In this respect Wales has relatively fewer people who participate in the labour market than elsewhere in the UK and this is thought to partly explain its poorer performance in the GDP league. Historically the proportion of the working age population economically active has been lower in Wales than in other regions of the UK.

There are indications that the activity rate gap has narrowed recently. However labour force participation in South East Wales continues to be below the all-Wales and GB rates - for both men and women.

Table 7. Economic activity rates

Variable	2004	2001	2004	2001	2004	2001
	All Working Age		Working Age Males		Working Age Females	
South East Wales	73.8	72.1	78.6	77.7	68.8	66.2
Wales	75.7	73.1	79.9	78.2	71.3	67.6
Great Britain	78.7	78.7	83.7	84.2	73.4	73

Source: Nomis

The economically inactive consist of a diverse group – early retired, students and sick or disabled - which varies in its closeness to the labour market. There are high levels of inactivity among social housing residents which may reflect reduced potential residential mobility, neighbourhood effects, and peripheral locations. The increase in female activity rates over time reflects increases in female relative earnings, a reduction in family size and the presence of children, rising educational qualifications and improvement in childcare facilities. For some women the price of childcare is an inhibiting factor. For men the high levels of long-term sickness among those of working age has been the main explanation for the high levels of inactivity. According to census data, the permanent sickness rates for Welsh men aged 16-64 were 2.7% in 1971, 5.0% in 1981, 10.0% in 1991 and 9.2% in 2001, – much higher than in the rest of Britain. Furthermore, Wales has a higher proportion of people with a limiting long-term illness (23.3 per cent) than any other region in the UK. Estimates from the LFS suggest that roughly three-quarters of the inactive are neither seeking work nor want it.

Unemployment

Unemployment rates in Wales are currently at historically low levels, with the number of unemployed people, as measured by the claimant count, less than a quarter of the figure two decades ago. In September 2004, around 38,600 people representing 2.2% of the working age population were unemployed. In South East Wales 20,028 people were unemployed.

Unemployment is a cost to an economy in terms of foregone GDP. However, a question must arise as to the effectiveness of the unutilised labour supply. In this respect, claimant based sources of unemployment show that 14% of the unemployed in Wales (13% in South East Wales) have been without work for at least a year,

Learning and Labour Market - South East Wales

whilst, around 29% of the unemployed in South East Wales have been unemployed for more than six months, compared to 30% in Wales overall.

However, 42% of the unemployed in Wales are of 'prime age' i.e. aged between 25 and 44 years, while a further 33% are young people (under 25s). Corresponding figures for South East Wales are 42% and 35% respectively.

Population Change

The latest population estimate for Wales was 2,938,000 (mid-2003). Over the last two decades there has been

- a fall in the number of under 16s (as a proportion of the total population a decrease from over 22 per cent to just under 20 per cent).
- a modest rise in those of working age (to nearly 60 per cent).
- a rise in those of retirement age (proportion increased from under 19 per cent to over 20 per cent).

Projections produced by the Government Actuary Department indicate that the population of Wales is expected to reach 3 million by around 2009. A particular feature of future labour supply is the ageing population. By 2009, a quarter of the Welsh population is expected to be over 60 years of age. This trend is predicted to continue so that by 2030 around a third of people in Wales will be over 60. At the same time, the number of people under 20 years of age in Wales is expected to fall by around 25,000 by 2009, and is predicted to fall by another 30,000 by 2020. Between these two age groups, the 20-60 years population is expected to grow by 25,000 between now and 2017 after which it will decline steadily.

4. EDUCATIONAL FLOWS

Post-16 Education

In 2002/03, of those individuals aged 17 at the start of the academic year in Wales and who entered two or more A/AS levels or vocational equivalent:

- 68% achieved two or more A levels grade A to C or equivalent, 2% higher than in 2001/02
- 94% achieved two or more A levels grade A to E or equivalent, the same as in 2001/02

For all ages,

- 96% of A level entries were graded A-E, with 72% at grade A-C

There were 4,952 people aged 17 who entered two or more A/AS levels or achieved vocational equivalent in South East Wales – this was 50% of Welsh total.

Learning and Labour Market - South East Wales

Table 8: Pupils aged 17 at the start of the academic year, 2002/03, by Local Education Authority^(a)

maintained schools in...	percentage of pupils entering two or more A/AS levels or achieved vocational equivalent who...			
	number of pupils entering two or more A/AS levels or achieved vocational equivalent	achieved two or more A/AS levels grade A-C or vocational equivalent	achieved two or more A/AS levels grade A-E or vocational equivalent	average points score per pupil entering two or more A/AS levels or achieved vocational equivalent
Bridgend	515	68	94	20
The Vale of Glamorgan	558	75	96	23
Rhondda Cynon Taff	965	61	93	18
Merthyr Tydfil	222	61	95	17
Caerphilly	413	65	91	18
Blaenau Gwent	183	50	89	16
Torfaen	269	63	94	19
Monmouthshire	363	60	91	20
Newport	496	64	94	20
Cardiff	968	65	90	20
Wales^(b)	9,848	66	94	20

(a) Includes all A levels, A2 levels, and Advanced Vocational Certificates of Education (AVCE)

(b) Includes independent schools, but excludes further education institutions.

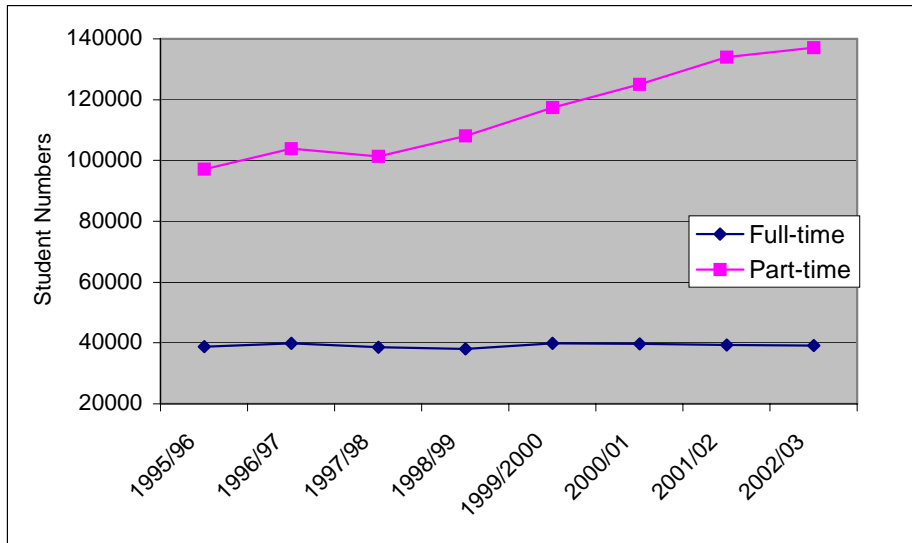
Source: Statistical Directorate, NAFW, November 2003

More than 4 out of 5 of school leavers either stay in full time education or enter work based training. Since 1995/96, the total number of further education students in Wales has risen by almost 30% - a trend which has largely been propelled by increasing numbers of people electing to study on a part-time basis (Figure 4). Throughout this period, the number of part-time FE students has grown by 41% increasing the ratio of PT/FT from 2.5 to 3.5.

Over ¾ of the FE student population now elect to study on a part-time basis. Although many of these will be employed people, the take-up of part-time courses by the unemployed, the economically inactive population and in particular, women entering the labour market are also important. Growth of the full-time FE student population has been far more restrained. Recorded growth since 1995 comes to 1.1% but the figure is somewhat deceiving. The evidence suggests that the full-time student population may have reached a plateau some years back and may now be declining slightly. Since 1999, the numbers have fallen by almost 2%.

Learning and Labour Market - South East Wales

Figure 4: FE student numbers at FE and HE institutions in Wales



Source: ELWa

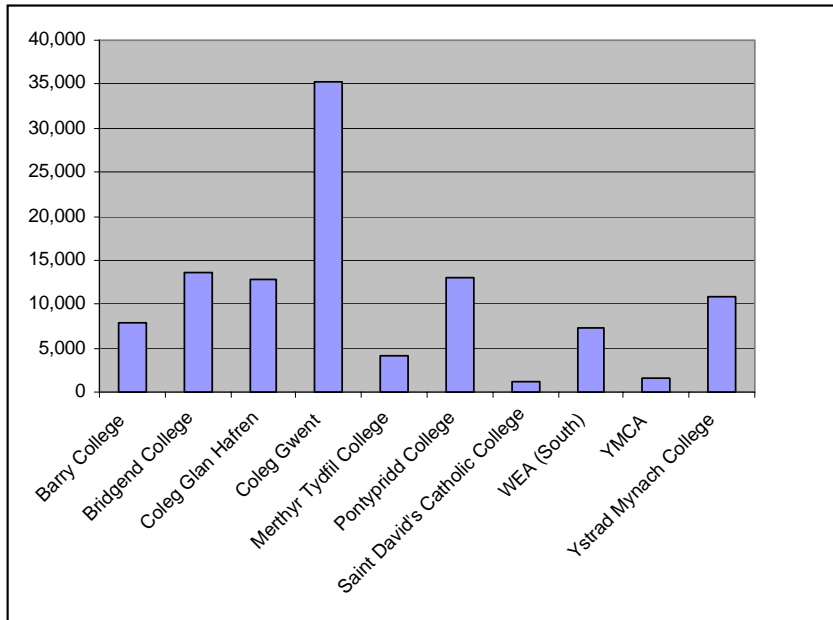
DYSGU ac ADDYSGU CYMRU

There are 10 colleges of further education in South East Wales that during the academic year 2002/03 had a combined population of 107,000 students - 42% of the total FE population in Wales (Figure 5). Coleg Gwent is by far the largest FE provider in the region with 35,000 students – one third of the total FE market population in South East Wales. In all but one institution, part-time students considerably outnumber the full-time population. The average ratio comes out at 4½ :1 and slightly lower than the all-Wales average of 5:1⁵. There is however, considerable variation across institutions (Table 9).

⁵ There is a discrepancy between this ratio and the all-Wales figure of 3.5 given earlier. This is due to the use of different sources. The smaller figure is derived from a count of the number of students registered during a given week in the Autumn term (the Census week) whereas the larger number is obtained from the student count for the whole year.

Learning and Labour Market - South East Wales

Figure 5: FE student numbers 2002/03: South East Wales.



Source: ELWa

Table 9: South East Wales FE institutions 2002/03: Market shares and PT/FT student ratios.

Institution	Student Shares %	Ratio PT/FT
Barry College	7	3.9
Bridgend College	13	5.4
Coleg Glan Hafren	12	2.9
Coleg Gwent	33	4.9
Merthyr Tydfil College	4	4.0
Pontypridd College	12	4.3
Saint David's Catholic College	1	0.1
WEA (South)	7	-
YMCA	2	-
Ystrad Mynach College	10	4.2
All South East Wales	100	4.5

* YMCA has no full time but 1,600 part-time students;
WEA (South) has no full-time but 7,300 part-time students
Source: ELWa

Learning and Labour Market - South East Wales

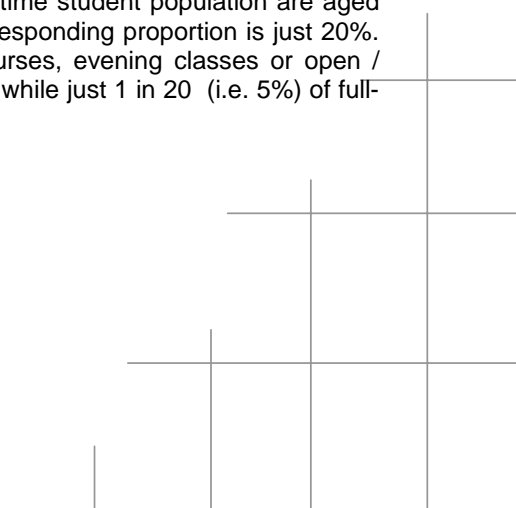
Table 10 provides a summary analysis of the age profile, mode of learning and gender of students enrolling at FE colleges in South East Wales. It shows that students enrolled onto full-time courses are distributed roughly equally between males and females. However, the more flexible modes of study would seem to appeal more to women students who account for a significant proportion (62%) of the combined enrolment onto part-time day studies, evening classes and distance / open learning.

Table 10: FE Students enrolled at FE institutions in South East Wales by age, mode and gender, 2002/03

Age analysis	Full-time / Sandwich	Part-time day	Evening only	Other	Open & Distance Learning	Unknown	All modes
18 and under	13,423	5,332	1,690	0	388	429	21,262
19-20	1,540	2,180	850	0	310	197	5,077
21-24	1,102	4,050	1,961	1	662	308	8,084
25-39	2,368	16,475	8,089	7	3,295	883	31,117
40-59	887	16,081	8,357	13	3,734	719	29,791
60+	79	7,651	2,081	0	564	42	10,417
Unknown	25	1,038	310	0	102	104	1,579
Total	19,424	52,807	23,338	21	9,055	2,862	107,327
Of whom,							
Males	9,149	20,116	8,455	21	3,845	1,924	43,510
Females	10,275	32,691	14,883	0	5,210	758	63,817

Source: ELWa

It would also seem that a greater proportion of mature adults are opting for the more flexible study routes. For instance, 69% of the full-time student population are aged 18 or less while across all modes of study the corresponding proportion is just 20%. Among those students pursuing part-time day courses, evening classes or open / distance learning – 45% are aged 40 years or over while just 1 in 20 (i.e. 5%) of full-time students are aged 40 or above.



Learning and Labour Market - South East Wales

Adult Continuing Education (ACE)

The table below shows the participation in adult and continuing education (ACE) in South East Wales and Wales in December 2002. Readers should note that **the census return on which the ACE data are based has since been discontinued and at this point in time we are unable to provide more recent data.**

South East Wales has by far the largest number / proportion of people in ACE at two thirds of the total in Wales, although the region's share of the adult Welsh population is barely one half.

Table 11: All Wales and South East Wales Adult and Continuing Education participation (number of learners in week 1 December 2002)

Adult Continuing Education	Wales	South East Wales
Maintained provision	15,115	9,335
Contracted out	3,457	2,403
Assisted	5,120	2,037
Contracted in (included under FE)	26,136	18,703
Total Adult Continuing Education	49,828	32,478
ACE individual enrolments	55,710	37,093

Source: ELWa

5. QUALIFICATIONS

Globalisation and advances in technology have appreciably reduced the need for unskilled labour and it is abundantly clear that **those without formal qualifications are distinctly disadvantaged in the labour market.** The capacity of the population, and even more so the labour force, to adapt to economic shocks and shifting employment opportunities depends on their willingness to learn and to accumulate new skills. Increasingly these skills can only be acquired through formal training.

Aims

Table 12 shows the subject areas elected by students enrolled at FE institutions in South East Wales during 2002/03. The 2 most popular subjects, which collectively made up more than one third of qualification aims were IT (17%) and Care (19%). Next in the order of preference were Business and Management subjects and Cultural Studies and Health, each with an 8% share.

There is no evidence of a particular regional bias in student preferences or levels of provision in South East Wales - the distribution of students by subject differs little from the all-Wales average. Furthermore, in an economy, which increasingly requires administrative and IT skills and more care workers and health personnel, the subject choices displayed by students in the FE sector are quite rational. With employment in the production and construction sectors insecure, it should be no surprise that individuals are turning away from subjects like the built environment, engineering and manufacturing.

Learning and Labour Market - South East Wales

Table 12: Student qualification aims by subject, 2002/03

Subject for each Qualification aim	South East Wales No	South East Wales %	All Wales %
Business and Management	22,515	8	8
Sales/Marketing	1,728	1	1
IT	47,311	17	18
Humanities	2,642	1	2
Social Sciences	3,503	1	1
Cultural Studies	21,600	8	8
Education	9,013	3	4
Care	51,137	19	16
Arts and Crafts	10,919	4	4
Media	18,114	7	6
Performing Arts	3,605	1	1
Sports	3,358	1	1
Hotel and Catering	9,575	4	5
Health	20,575	8	8
Environment	1,571	1	0
Science/Maths	20,223	7	7
Agriculture	3,149	1	2
Built Environment	8,746	3	3
Services to Industry	670	0	0
Manufacturing	2,078	1	1
Engineering	8,438	3	3
Mining/Chemicals	131	0	0
Transport	402	0	0
Not Specified	2,427	-	-
Total	273,430	100	100

Source: ELWa

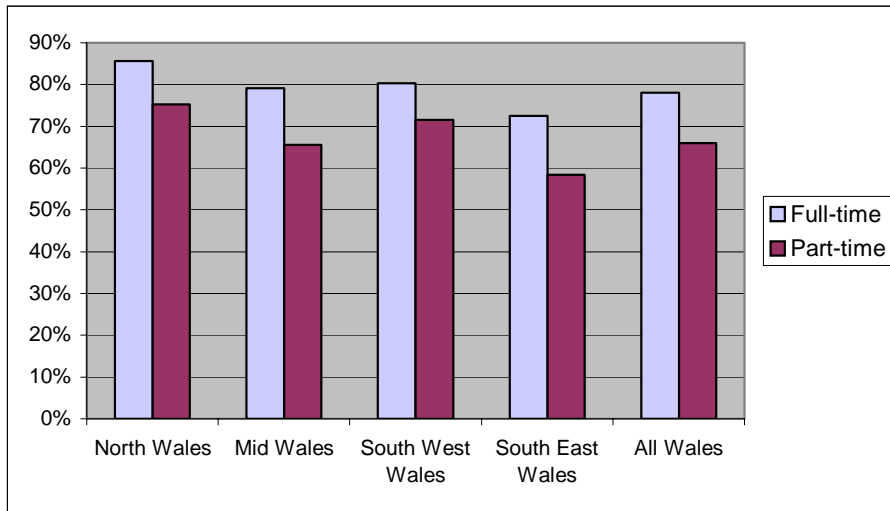
Attainment Rates

Attainment rates measure the number of qualifications fully achieved as a percentage of the qualifications based programmes completed (whether successfully or not). In 2002/03 the average for 'mainstream A qualifications'⁶ came to 67% in South East Wales, somewhat lower than the all-Wales average of 74%. Differentiating between full and part-time provision, the attainment rate is almost universally higher for full-time students than part-time ones. In South East Wales the attainment rates were 72% and 58% respectively. Regional comparisons are shown in Figure 6.

⁶ These include GNVQ, Advanced VCE, NVQ, GCSE, First, National, A/AS Level and Access to HE

Learning and Labour Market - South East Wales

Figure 6: Attainment rates for full and part-time studies – Mainstream A Qualifications, 2002-03



Source: ELWa

Generally lower part-time attainment rates are perhaps not altogether surprising given that those engaged in part-time study differ from the full-time student population. They may be confronted by greater obstacles to learning and may take longer to achieve their qualification aims. Yet across the individual FE institutions the effect of mode of study on attainment is less predictable than expected suggesting that the causes of variation may be more complex (Table 13).

Table 13: Attainment Rates by Institution; South East Wales 2002/03

	Attainment Rate (FT) (%)	Attainment Rate (PT) (%)
Barry College	73	52
Bridgend College	71	63
Coleg Glan Hafren	72	69
Coleg Gwent	70	49
Merthyr Tydfil College	67	67
Pontypridd College	75	72
St David's Catholic College	85	100
All South East Wales	78	66

Source: ELWa

Note: Two institutions report no completions and have been omitted from the table.

Learning and Labour Market - South East Wales

Training

Analysis of training supported by ELWa in South East Wales highlights that during 2003/04 the most prominent programmes were Skillbuild, Modern Apprenticeships and Foundation Modern Apprenticeships (Table 14). In total some 17,500 trainees were recruited in South East Wales - 53% of the Wales total. While the overall pattern of training in South East Wales was similar to Wales as a whole, the former had a marginally higher share of recruitment into the Skillbuild programme.

Table 14: Trainee recruitments, 2003-04

Programme	South East Wales (%)	Wales (%)
Skillbuild	30.3	26.8
Foundation Modern Apprenticeship	29.8	31.2
Modern Apprenticeship	23.0	24.7
Other Youth Programmes	0.0	0.0
MSDA (Modern Skills Diploma for Adults)	2.2	2.7
Adult standard	9.4	9.3
Adult endorsed	5.3	5.3
All	100.0	100.0

Source: ELWa

Local Area Tables

It has not been possible to secure updated data on this occasion. The following tables provide summary results for 2000/2001 for ELWa subdivisions of the South East Wales region.

Key outputs include:

- learners by mode of learning
- learners by highest qualifications aim level
- qualification attained by qualification level
- qualification attained by subject

The information in the tables relates to all FE level students and work-based learners who were either enrolled at a Welsh FE institution or who were funded by ELWa through a private training provider. The number of learners is the number of individual learners in learning within the relevant year. Every attempt has been made to remove duplications from the figures so that an individual learner is only counted once. Where a learner is engaged in study or training towards more than one qualification in the year, only the highest level qualification is counted. Values lower than 5 have been replaced with a *.

Learning and Labour Market - South East Wales

2000-2001	Learners by Mode of Learning			Learners by Highest Qualification Aim Level																			
	FT	PT	WBL	NVQ Level 4+	Key Skills Level 4+	NVQ Level 3	BTEC National Qualification	GNVQ Advanced	Advanced VCE	GCE A/AS Level	Key Skills Level 3	OCN Unit(s)	NVQ Level 2	BTEC first qualification	GNVQ intermediate	GCSE	Key Skills Level 2	NVQ Level 1	GNVQ foundation	Key Skills Level 1	SLDD course	Other	Not known
Bridgend	1,468	7,568	1,916	*	0	690	388	200	51	427	73	2,062	1,784	44	74	284	75	260	13	191	277	3,835	220
Vale of Glamorgan	1,567	4,841	1,893	39	0	679	388	147	81	401	82	1,041	959	47	106	261	295	127	32	203	207	2,915	291
Rhondda Cynon Taff	2,483	11,387	4,522	26	0	1,249	542	223	56	778	284	3,815	3,133	87	78	522	302	386	65	320	694	5,105	727
Merthyr Tydfil	699	3,199	1,126	21	0	298	236	23	25	216	28	588	725	36	*	153	200	99	0	77	167	1,697	432
Caerphilly	2,898	9,555	3,112	51	0	1083	851	194	29	895	186	2,998	1,810	43	9	361	151	402	13	175	431	3,930	1953
Blaenau Gwent	1,035	3,656	1,388	*	0	381	280	132	0	245	23	1,667	702	7	*	98	47	162	*	37	134	1,887	270
Torfaen	1,132	5,355	2,006	15	0	559	263	149	14	321	41	2,872	893	*	*	179	92	167	*	111	111	2,448	252
Monmouthshire	660	4,762	865	5	0	388	189	88	4	117	31	2,750	409	*	*	110	47	63	0	18	119	1,855	91
Newport	1,782	7,535	2,215	9	0	674	390	183	*	393	128	4,432	1,094	8	*	177	124	190	*	109	178	3,162	271
Cardiff	4,380	10,407	4,262	37	0	1,331	677	480	36	1425	162	1,700	2,367	142	303	469	480	293	116	348	465	7,280	938
South East Wales	18,104	68,265	23,305	203	0	7,332	4,204	1,819	296	5,218	1,038	23,925	13,876	414	570	2,614	1,813	2,149	239	1,589	2,783	34,114	5,445

2000-2001	Number of Qualifications Attained by Qualification Level																					
	NVQ Level 4+	Key Skills Level 4+	NVQ Level 3	BTEC National Qualification	GNVQ Advanced	Advanced VCE	GCE A/AS Level	Key Skills Level 3	OCN Unit(s)	NVQ Level 2	BTEC first qualification	GNVQ intermediate	GCSE	Key Skills Level 2	NVQ Level 1	GNVQ foundation	Key Skills Level 1	SLDD course	Other	Not known		
Bridgend	0	0	275	107	293	0	258	322	1,300	853	24	48	256	1,395	156	6	1,289	64	3,249	441		
Vale of Glamorgan	15	0	231	99	147	0	397	338	609	459	22	49	249	1,024	110	47	724	74	2,742	229		
Rhondda Cynon Taff	7	0	502	145	234	19	484	477	3,002	1,611	57	62	478	3,009	268	26	1,646	747	5,713	581		
Merthyr Tydfil	*	0	95	49	22	*	77	46	349	370	20	*	95	492	105	0	190	139	1,295	150		
Caerphilly	29	0	399	253	178	*	1,288	439	2,007	918	68	32	485	1,771	342	16	850	277	5,455	492		
Blaenau Gwent	0	0	112	64	64	0	251	112	1,275	368	24	23	129	646	98	8	347	100	1,809	89		
Torfaen	10	0	207	82	60	7	546	175	1,326	494	12	12	202	1,162	133	*	687	64	2,698	162		
Monmouthshire	*	0	153	67	36	*	131	141	1,606	272	13	*	131	532	79	0	239	73	2,076	37		
Newport	*	0	264	124	118	0	422	323	1,868	660	30	38	335	1,070	156	22	710	101	3,208	224		
Cardiff	31	0	507	143	121	*	1,957	657	863	1,126	73	172	935	3,044	300	78	1,897	146	5,393	576		
South East Wales	92	0	2,745	1,133	1,273	26	5,811	3,030	14,205	7,131	343	436	3,295	14,145	1,747	203	8,579	1,785	33,638	2,981		

Learning and Labour Market - South East Wales

2000-2001	Number of Qualifications Attained by Subject																							
	Business and Management	Sales/Marketing	IT	Humanities	Social Sciences	Cultural Studies	Education	Care	Arts and Crafts	Media	Performing Arts	Sports	Hotel and Catering	Health	Environment	Science/Maths	Agriculture	Built Environment	Services to Industry	Manufacturing	Engineering	Mining/Chemicals	Transport	Not specified
Bridgend	1,347	261	1,592	31	63	531	194	2,191	285	615	46	101	738	606	14	507	80	269	79	327	275	7	6	171
Vale of Glamorgan	1,121	136	1,108	61	105	375	117	1,413	97	515	49	116	450	463	16	589	52	172	74	87	246	0	*	199
Rhondda Cynon Taff	1,566	303	2,967	59	155	826	234	5,479	527	1321	54	164	744	869	71	1,058	80	519	170	913	432	0	7	550
Merthyr Tydfil	414	77	468	19	42	144	29	689	145	171	12	45	201	245	13	157	16	173	17	206	110	0	0	108
Caerphilly	1,823	252	2,314	150	264	670	153	2,572	414	780	113	352	894	1743	41	1,065	54	378	134	483	375	12	29	235
Blaenau Gwent	578	123	609	26	68	159	39	1,455	179	288	34	105	346	528	11	283	29	114	36	206	103	0	10	190
Torfaen	1,173	174	1,405	106	112	300	41	1,606	121	522	28	108	250	657	7	608	69	178	63	148	154	*	13	196
Monmouthshire	511	83	1,344	51	21	244	84	1,010	228	272	53	122	315	459	6	237	116	89	23	75	119	7	*	119
Newport	1,243	228	1,489	73	104	404	42	2,376	173	500	80	142	447	615	*	532	68	190	96	121	270	18	40	422
Cardiff	1,787	340	2,800	450	320	1138	233	3,319	235	1409	93	260	968	847	32	2,017	60	356	99	272	439	5	7	535
South East Wales	11,563	1,977	16,096	1,026	1,254	4,791	1,166	22,110	2,404	6,393	562	1,515	5,353	7,032	211	7,053	624	2,438	791	2,838	2,523	49	112	2,725

South East Wales Learning and Labour Market

6. SUMMARY DATABANK

Key Statistics: UK

Annual % change unless otherwise stated

	2003				2004	
	Q1	Q2	Q3	Q4	Q1	Q2
GDP	1.9	2.2	2.2	2.8	3.4	3.7
Total fixed investment	3.7	2.1	1.2	1.7	5.7	6.3
Manufacturing investment	-1.0	-10.7	-15.0	-3.2	-6.9	1.4
Household consumption	2.3	2.3	2.5	2.2	2.9	3.1

	2003				2004			
	Dec	Jan	Feb	Mar	Apr	May	June	July
Manufacturing output (3 month/3 month 1 year ago)	1.7	1.5	1.3	1.1	1.0	1.4	1.6	na
Retail sales (3 month/3 month 1 year ago)	3.3	4.3	5.2	6.4	6.2	6.6	6.7	6.9
Claimant Unemployment (million)	0.93	0.89	0.89	0.88	0.87	0.86	0.85	0.84
Retail price index	2.9	2.6	2.5	2.6	2.5	2.8	3.0	3.0
Average Earnings	3.3	4.7	4.9	5.2	4.3	4.4	4.4	na

Source: CBI Economic Bulletin, September 2004

	2003		2004			
	Sept	Dec	Jan	Mar	June	Sept
Bank of England Base (Repo) rate	3.5	3.75	3.75	4.0	4.5	4.75

Source: Bank of England

Agriculture Data

Omissions from the ABI data render it unreliable for analysis of the land based sector and it is recommended that specialist sources be consulted. For a review of employment and skills issues in the land based sector in Wales and the UK see:

The Sector Skills Council for the Environmental and Land Based Sector

<http://www.lantra.co.uk>

South East Wales Learning and Labour Market

This **Factsheet** is available from ELWa's Website at: <http://www.elwa.org.uk> within the publications section.

Enquiries relating to this factsheet⁷ should be addressed to:

Huw Owen
Economist
ELWa,
Ty'r Afon, Bedwas Road, Bedwas
Caerphilly
CF83 8WT

01443 663892
huw.owen@elwa.org.uk

⁷ November factsheets prepared by MGS Economics in association with WELMERC.