

West Midlands Region – Pen Picture



Overview

The West Midlands is a diverse and vibrant region that benefits from being located at the heart of the UK. With a total population of 5.3 million it comprises the counties of Shropshire, Staffordshire, Warwickshire and Worcestershire; the unitary authorities of Herefordshire, Stoke-on-Trent and Telford and Wrekin; and the seven metropolitan districts of Birmingham, Coventry, Dudley, Sandwell, Solihull, Walsall and Wolverhampton.

The west of the region has large rural areas and there are also extensive rural areas to the east in North Staffordshire. The West Midlands has over 700 conservation areas, 32,000 listed buildings, 500 miles of waterways and in excess of 2,000 special collections of regional or national significance.

As the birthplace of the industrial revolution, the West Midlands was once known as the workshop of the world. Today the region remains Britain's manufacturing and agricultural heartland (despite a recent downturn) and is the hub of the nation's transportation network. It covers an area of 13,000 square kilometres, its western edge bordering Wales. It is a cosmopolitan region with vibrant multi-ethnic and multi-faith communities in the larger cities and towns.

The West Midlands is also one of Britain's most densely populated regions. Although total population has increased slightly over the past six years, this masks continuing decline in the urban metropolitan areas and an outward migration of the young. Such migration is also a feature of many rural areas. The large rural areas, particularly those in the Welsh borders, are among the most sparsely populated in the country.



Coventry Cathedral



Worcester

Population

- The 2001 Census shows the population shows that over 83% of people of non white ethnic origin lives in five Boroughs (Birmingham, Coventry, Sandwell, Walsall and Wolverhampton) with nearly half in Birmingham.
- Within these ethnic minorities, 77% of the region's Bangladeshi community live in Birmingham and Sandwell, 73% of the Pakistani community live in Birmingham and Walsall, and 80% of the African-Caribbean community live in Birmingham, Sandwell and Wolverhampton. The largest single non-white communities - those of Indian background - are less concentrated than other groups.

Ethnic Minorities

- Almost 8% of the regional population are from non-white ethnic minority communities. This proportion is higher than any other region except London. The largest Black and Minority Ethnic groups (BME) are Asian or Asian British people who comprise 5.4% of the total West Midlands population, followed by Black or Black British people (2%).
- Whilst 16.3% of the West Midland Metropolitan County's population is of BME origin, this compares with less than 2% of the population of rural West Midlands. According to the Labour Force Survey, 83% of the Region's non-white minority ethnic population aged 16 and over live in Birmingham, Coventry, Sandwell, Walsall and Wolverhampton.
- The employment rate for the ethnic minority population is 53.6% compared to 75.7% for the white population.

Disabilities

- Figures show that 239,560 sick and disabled people of working age are in receipt of benefits in the West Midlands. This compares with 2,620,420 in Great Britain. 46.7% of these are aged over 50.

- Incapacity benefits represent the largest and most persistent group of workless people in the region, outnumbering claimants of Jobseeker's Allowance by 2.4 to 1.
- After 2 years claiming Incapacity Benefit a person is more likely to die or retire than work again. Most IB recipients in the West Midlands – 60% - have been receiving benefit for more than five years.
- 40% of IB customers are claiming for mental and behavioural disorders. 20% claim for musculo-skeletal disorders.
- Over the past 30 years sickness and disability benefits have seen a threefold increase, and now account for more than half of out-of-work claimants, dwarfing unemployment benefits. Incapacity Benefits are concentrated in former industrial areas where labour demand has suddenly declined – Stoke is among the highest quintile nationally. This indicates a core of long-term unemployed who may have given up looking for work due to a mismatch between labour supply and demand.
- The number of people claiming Incapacity Benefit in the West Midlands has been reducing very slowly since 2002. In August 2002 there were 256,280 IB customers – compared to 239,560 in August 2008.
- According to the Annual Population Survey (July 2007 to June 2008) 18.5% of the West Midlands working age population are disabled, in line with the national average of 18.3%. The North East region has the highest figure of 18.5%.
- Economic inactivity among working aged disabled people in the West Midlands runs at 47.5% compared to 22.6% of the working age population as a whole.



Merry Hill shopping centre



Wolverhampton

Wage Levels

- The Annual Survey of Hours and Earnings (2008) shows average weekly gross wages in the West Midlands to be £448.90. Within the region, average earnings are highest in Solihull (£525.30) and lowest in Walsall (£388.90).

- Average weekly earnings across Great Britain as whole are £479.10. The West Midlands is ranked sixth out of the twelve regions nationally. Earnings are highest in London (£612.70) and lowest in Northern Ireland (£417.60).

Unemployment

- Unemployment in the West Midlands is increasing rapidly at present. The latest seasonally adjusted figure for February 2009 shows 160,400 people claiming Jobseeker's Allowance, up 15,700 on the previous month and up 65,600 on the figure for February 2008. This is the twelfth successive monthly increase.
- Unemployment increased by 10.9% in the West Midlands compared to 11% nationally.
- The unemployment rate (% of people claiming JSA compared to the working age population) is 5.8% in the West Midlands and 4.3% nationally.
- The number of people claiming JSA in the West Midlands increased 67.1% in the twelve months to February 2009. The increase was 72% across the UK as a whole. The South West region recorded the highest increase of 115.9%.
- The proportion of JSA customers who have been claiming for more than one year has reduced significantly in the past 10 years. In February 1999 26% of claimants had been claiming for more than a year. By February 2009 this had reduced to less than 10%.

Employment

- The employment rate for the working age population in the West Midlands stands at 71.5% for the latest period available, November 2008 to January 2009. This is down 1.7% on the same period twelve months earlier. This is the largest proportional reduction across the UK. Across the UK as a whole the employment rate is 74.1%, down 0.7% from a year ago.
- North East (70.2%), Wales (70.0%) and Northern Ireland (68.0%) are the only regions with lower employment rates.
- Historically the urban areas have been internationally famous for manufacturing of a wide variety of products. North Staffordshire is the centre of UK ceramics, Birmingham has long been known as the 'city of a thousand trades', Coventry grew with the cycle, vehicle and aircraft industries and the Black Country towns of Wolverhampton, Walsall and Dudley were the focus of metal production and fabrication. All have endured lean times in recent years and much input has been relocated abroad. Manufacturing, although more significant than other regions, continues to decline. Latest figures show 394,600 employed in manufacturing, with an increasing focus on high technology production.

- The proportion of people employed in manufacturing in the West Midlands has reduced from 25% in 1999-2000 to just over 13% by December 2008. Across the UK, just under 10% of all workers are in the manufacturing sector. Those employed in public administration, finance and insurance have increased from 23% to 27% over the same period.
- The region has a vibrant tourism related economy. The attractions include Alton Towers, Drayton Manor Park and Zoo (Staffordshire), Warwick Castle, Cadbury World (Bournville, Birmingham), the Ironbridge and Gorge Museum (Shropshire), the Black Country Museum (Dudley) and Stratford-Upon-Avon's links with William Shakespeare.
- Advantage West Midlands believes that occupations with projected employment growth include corporate managers; administrative occupations; personal service occupations; sales and customer service occupations. It is likely that the public sector and visitor economy will create up to 50,000 additional jobs in Birmingham alone in the next 10 years.
- Jobs requiring no qualifications are expected to have fallen to only 9% by 2010, compared with the 1991 level of 31%. Nearly a quarter of jobs are expected to require National Vocational Qualification (NVQ) level 4 by the decade's end.
- Research by Birmingham University discovered that West Midlands professional firms would create 100,000 jobs over the next four years. Law, banking, accountancy and business support firms said they expected to increase their professional staff on average by 31%. Around half of these firms said a shortage of skilled staff is proving a major problem for them.
- The report added that Birmingham City Centre is home to the most significant concentration of professional companies outside London, with more than 600 firms employing 90,000 people, generating £2.7 billion annually. Other significant clusters include Coventry, Leamington Spa and Worcester. The report did warn that road congestion and poor public transport may deter future growth.