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The *Welsh Economic Review* is produced twice yearly, by the Welsh Economy Research Unit (WERU) at Cardiff Business School. The aim of the *Review* is to provide an authoritative and objective analysis of the Welsh economy in a manner that promotes understanding and informs decision-making. The core section of the *Review* is written by members of WERU, with feature articles contributed by academics or practitioners within or outside Wales. The *Review* is circulated widely within Wales, to both private and public sector organisations, including the education sector and the Welsh Assembly Government.

Notes for Contributors

Authors should send papers for potential publication in the *Welsh Economic Review* to the Editor at the address given below, preferably via e-mail in a Word for Windows format. Papers are welcome on any topic that would be of general interest to the readership, and should be written in a style suitable for non-specialist readers. Papers should be approximately 3,000-4,000 words, and any graphs or figures should be accompanied by the underlying data to allow reproduction.

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Economic Events Diary November 2003 – May 2004

November

The Welsh Assembly Government is urged to act to stop **job exports** – the TUC warned that the economy cannot afford to lose any more well-paid manufacturing jobs to cheaper labour economies in central and eastern Europe and Asia.

Cardiff is reported to be in the top rank of the knowledge economy. A report commissioned by Cardiff County Council shows that the city has a knowledge profile similar to that of Oxford and Cambridge, and is amongst the top cities in Europe for scientific output.

CBI Regional Trends Survey showed that manufacturers in Wales were outperforming the rest of UK in terms of new job creation, with business confidence expected to strengthen into 2004.

Corus announced a £71m investment at its Port Talbot site. The new investment will maximise output from existing equipment, with the result that Port Talbot production should increase by more than one quarter by 2006.

December

The scrapping of the controversial United States **steel tariffs** could improve prospects at **Corus'** Welsh facilities. This followed an unexpected U-turn over the tariffs which have been branded as unfair by European steel producers.

Figures published by Barclays show **business start-ups** in Wales declined by 10% in the last quarter of 2003.

Construction businesses in Wales were reported to be looking optimistically towards the new year, after a UK survey showed the sharpest expansion in the industry for more than two years.

In March **University of Wales Institute, Cardiff (UWIC) and the University of Glamorgan** announced plans to merge. However in December these plans were abandoned.

New **employment** figures showed that numbers of jobless were at their lowest levels since the 1970's.

January

New figures showed that the **Welsh economy was strengthening**. A study by credit reference agency Experian predicted that the Welsh economy would grow strongly over the next two years, while CBI Wales Quarterly Welsh Industrial Trends Survey also pointed to stronger orders and output amongst Welsh firms.

According to new data from PricewaterhouseCoopers the number of **corporate insolvencies** in Wales fell by 25% in the last quarter of 2003.

February

Wales leads in the **house price surge** with prices reported to be rising faster than anywhere else in the UK.

After years of problems **farm incomes** in Wales started to rise. Farming leaders cautiously welcomed the rise in net farm incomes for some businesses, but warned that incomes levels were still far from satisfactory.

March

Objective One Funding comes under attack from business leaders who feel that the private sector has not been given a sufficient share of the funds on offer. Members of influential umbrella body *Business Wales* have been concerned at the lack of private sector involvement in Objective One projects.

According to the Public and Commercial Services Union **Gordon Brown's budget** could result in the loss of 2000 highly paid civil service jobs in Wales. However the impact of this could be offset by Whitehall posts moving to the regions.

The **Welsh jobless** totals fell again. The claimant count in Wales for February was 0.3% down on 12 months earlier, with 41,500 people claiming unemployment benefit during the month.

April

Tourism operators across Wales reported healthy business over the Easter bank holiday with fine weather helping to boost sales.

Figures from the Office of National Statistics show that **Welsh exports** in the fourth quarter of 2003 were 2.6% lower than during the same period the previous year. However, the value of total exports for 2003 as a whole was higher than in 2002.

Welsh companies saw a growth in output orders in March according to the **Royal Bank of Scotland Purchasing Managers Index**. Some 45% of Welsh companies said that their output was higher in March than in February.

The Office for National Statistics published provisional estimates of **regional gross value added** (GVA) for 2002. Welsh GVA was estimated at £35.084bn in 2002; this was 3.8% of the UK total.

May

Swansea challenged Cardiff to put rivalry aside and join forces to bid for the **2014 Commonwealth Games**. Manchester, which hosted the 2002 Games, is said to have benefited from 6,000 new jobs and £600m of public investment.

House prices in Wales jumped by 25% to an average of £115,000 in the last three months according to Land Registry. The average price for a detached house in Wales reached £174,000.

Comings & Goings: Companies' Activities in Wales

BP Chemicals announced the closure of its last Welsh manufacturing plant at Baglan Bay.

In Blackwood in Gwent 200 job losses are planned at **South Wales Transformers** which manufactures electrical equipment. Some of the activity is being moved to Loughborough in Leicestershire in an effort to cut costs.

Over 60 jobs are expected to be lost on Anglesey at **RAF Valley** with an announcement by **Babcock Defence Services** that it is to make 10% of its local workforce redundant.

Dixon's, the electrical retailer, announced plans to close over 100 under-performing stores across the UK. This is expected to include 9 stores in Wales with branches in Aberystwyth, Bangor, Cwmbran, Llandudno, Llanelli, Monmouth, Newport, Rhyl and Wrexham all facing closure – just over 60 staff are likely to be affected by the closure.

Sony at Bridgend and Pencoed is planning to move its advanced television R&D operation out of Wales to Basingstoke in Hampshire. Around 84 staff will be affected by the move.

In February **Brecon Pharmaceuticals** announced plans to create 100 new jobs as part of a major expansion. The company is to double the size of its pharmaceutical packaging facility at Hay-on-Wye. In the retail sector **John Lewis** announced that it expects to open a new store in South Wales which could create as many as 500 jobs.

The largest job announcement in the first half of the year was in Bridgend where one of the world's major IT outsourcing companies, **Logica CMG**, confirmed that it is to create 700 jobs as part of a new project.

In April cable communications company **NTL** announced the creation of 450 call centre jobs in Swansea as part of a major reorganisation of its contact centre operations. Across the UK 1,500 posts will, however, be lost as NTL consolidates its call centre operation on three sites, rationalising from the 13 it has at present. Swansea stands to benefit as it has been chosen as one of the key sites to be retained and expanded.